

**PART III:****EXHIBITS TO MLC'S OPENING SUBMISSION IN SUPPORT OF  
PROPOSED INITIAL ADMINISTRATIVE ASSESSMENT**

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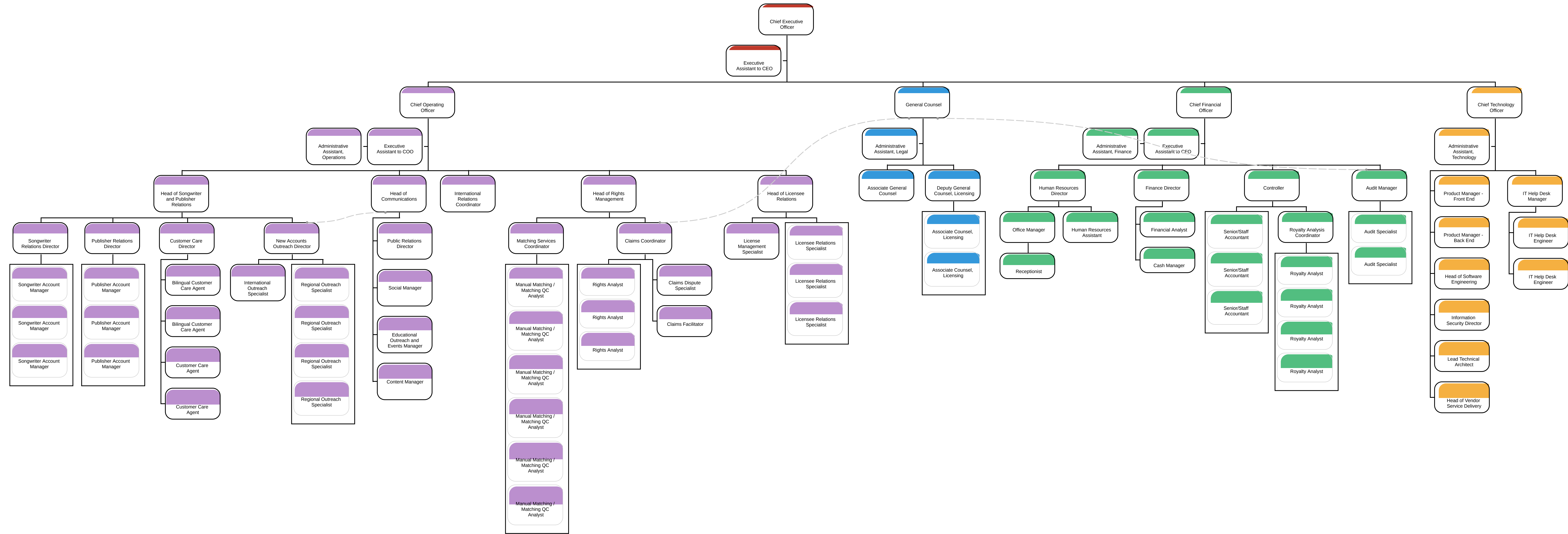
# **EXHIBIT 1**

**RESTRICTED —**

**Subject to Protective Order in Docket  
No. 19-CRB-0009-AA (Initial AA)**

## **EXHIBIT 2**





# **EXHIBIT 3**

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# **EXHIBIT 4**

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# **EXHIBIT 5**

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# **EXHIBIT 6**

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# **EXHIBIT 7**

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# **EXHIBIT 18**

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# **EXHIBIT 19**

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# **EXHIBIT 20**

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# **EXHIBIT 21**

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## **EXHIBIT 23**



CUSHMAN &  
WAKEFIELD

# SPACE MATTERS

Key office trends  
and metrics for  
U.S. occupiers







# SPACE MATTERS

In the face of the tightest labor market in approximately 18 years, corporate occupiers are highly focused on talent acquisition and retention. Results of a recent research survey conducted by Cushman & Wakefield and CoreNet Global, entitled *What Occupiers Want*, reveal that finding and keeping top talent is the number one challenge for global organizations.

Corporate real estate is increasingly becoming a significant tool to attract high-quality talent. This alignment of real estate and business strategy is driving several critical trends, influenced by technology, that impact how space is designed and utilized.





# SPACE MATTERS

## DENSITY **Less focus on decreasing square footage per employee:**

Occupiers have reduced the allocation of square footage per employee by 8.3% since 2009. Square footage per worker varies across markets; in some markets it is less than 135 square feet (sf) per employee (e.g., Seattle and Washington, DC) while in others it is in the mid or high 200's (e.g., San Mateo County and Northern New Jersey). More expensive markets tend to have less space per employee, but the rate of densification is more dependent on the amount of new office supply. Some markets with strong job growth have not had the required new office space to meet demand so companies have been densifying their space at a faster pace. We expect that more densification will occur, but at a lower rate as companies supplement most private space reductions with increases in communal space. This balancing act will result in less attention on reducing square footage per employee and more emphasis on flexibility of space usage. [>>JUMP TO SECTION](#)

**AMENITIES** **A critical component of real estate as a service:** In the wake of such densification, occupiers are looking for improved amenities in and around their offices in order to attract talent. Millennials are now the largest generation in the workforce, and their job satisfaction is driven less by large, personal offices in their workplace and more by flexibility, work/life benefits, and amenities.

These amenities can take the form of physical amenities, on-site services, or technology offerings. While tenants and landlords cite traditional amenities as most important, there are significant opportunities for occupiers and landlords to differentiate themselves by offering new technology solutions. The cost of implementing technology amenities is declining as more third-party companies create real estate-focused applications. Additionally, technology solutions can be implemented in any building, regardless of class; thus occupiers can upgrade the ever-important employee experience in a building of any quality.

[>> JUMP TO SECTION](#)

**PARKING** **High relevance even in a changing landscape:** A growing number of dense submarkets are facing an undersupply of parking. There is significant discussion about how autonomous vehicles will change the demand for parking, and real estate investors are beginning to find ways to make parking structures reconfigurable by increasing ceiling heights, flattening floor plates, and putting ramps on the exterior of the structures. However, for the foreseeable future parking supply is going to be a challenge for many landlords and occupiers. Currently, office leases average one parking spot for every 345 sf of leased space. With office densities at 194 sf per each employee, the average lease provides just over one-half a parking spot for each employee. Such tight supply has led to parking costs increasing 6.3% over the past year. The largest increases were in the South (+9.7%), with the second largest increase in the Northeast (+7%), where parking costs are the most expensive in the U.S. About half of all markets are forecasted to experience increased parking costs in 2018. [>> JUMP TO SECTION](#)

**CONCESSIONS** **Increases are on the horizon:** All of these trends are coming to a head as certain markets experience softening real estate fundamentals. Increases in tenant improvement (TI) allowances and/or free rent allocations have already been growing in large markets to help prop up rental rates. In fact, TI allowances increased in the six gateway markets by 21.7% in 2017. Total concessions were highest in Midtown New York (\$167 per sf), followed by Washington, DC (\$154 per sf). The largest increases were in the three Manhattan markets, followed by San Francisco (+27%) and Boston (+19%). The occupier-friendly trend of increased concessions will spread as demand slows in certain parts of the country. Free rent is expected to remain stable in two-thirds of markets, but half of U.S. markets are forecasted to see TI allowances increase in 2018. As tenants' flight to quality continues, occupiers will have even greater opportunity for advantageous deals with Class B assets in attractive submarkets.

[>>JUMP TO SECTION](#)



MORE EN  
BUT TRE

The trend in office density, i.e., computer footage per employee, shows a decline of 17.6 sf of current economic activity after its 2009 peak of 2017—the rate

The rapid expansion of self-storage facilities is influencing density, particularly as the Board) that are self-storage lease obligations at a slower pace than space usage and be effective.

\*Methodology: Density quantiles of the distribution of large occupiers. Density is calculated using the 2000 census data (via the Bureau of Labor

The chart displays the trend of SF per Employee from 2000 to 2020. The y-axis represents SF per Employee, ranging from 180 to 220. The x-axis represents the year. The data shows a general upward trend from 2000 to 2009, peaking at approximately 211.5. After 2009, the value fluctuates and generally declines, reaching about 194 by 2018. The forecast for 2020 shows a slight increase to approximately 192.

Year	SF per Employee
2000	187.5
2001	186.0
2002	188.0
2003	191.0
2004	194.0
2005	194.0
2006	191.0
2007	193.0
2008	197.0
2009	209.0
2010	208.0
2011	205.0
2012	203.0
2013	203.0
2014	199.0
2015	198.0
2016	197.0
2017	195.0
2018	194.0
2019	191.0
2020	192.0

City	Percentage of Population Aged 65 and Over
Atlanta	-12.5%
San Francisco	-11.5%
Pittsburgh	-11.0%
Charlotte	-10.5%
Houston	-8.5%
Northern VA	-7.5%
Baltimore	-6.5%
Manhattan	-6.0%
Oakland/East Bay	-5.5%
Denver	-5.0%
Sacramento	-4.5%
Washington, DC	-3.5%
Minneapolis/St. Paul	-3.0%
United States	-2.5%
Silicon Valley	-2.0%
Boston	-1.5%
Detroit	-1.0%
Philadelphia	-0.5%
NJ - Central	-0.5%
Phoenix	-0.5%
Orange County	-0.5%
San Mateo County	-0.5%
Los Angeles	-0.5%
Chicago	-0.5%
Cleveland	-0.5%
NJ - Northern	-0.5%
San Diego	-0.5%
Dallas/Fort Worth	-0.5%
Seattle	-0.5%

While square footage per worker has decreased by 8.3% nationally over the past eight years, that trend has not been consistent across all markets. Among the largest office markets in the country (those with at least 75 msf of office inventory), there were significantly steeper decreases in Atlanta (21.9%), San Francisco (21.6%), Houston (14.8%), and Northern Virginia (13.3%). At the other end of the spectrum, more muted decreases in square footage per employee occurred in Washington, DC (2.2%), San Jose/Silicon Valley (3.0%), Boston (3.6%), and Chicago (3.8%). In many cases, changes in square footage per employee were small in markets where the space allocation was already relatively low in 2009.

Changes in density were driven more by supply than by cost. Certainly, markets in which square footage per employee actually increased over the past four years registered smaller gains in rents than did markets where companies were tightening space allocation per worker. In addition, the markets in which space per employee declined the most were also markets where rent growth was faster.

ENLARGE GRAPHS

Source: Cushman & Wakefield, Bureau of Labor Statistics, Moody's

But while companies are certainly making decisions to optimize space and costs, it is market-level job growth and the availability of space (or lack thereof) that have been greater indicators of densification than rental rate increases. Over the past four years, the markets in which square footage per worker decreased the most are mid-sized cities with 25-50 million square feet (msf) of office space. The steepest declines have been in Sunbelt cities such as Las Vegas, Tampa/St. Petersburg, Miami, and Nashville, all of which have densified by 18-19% since 2013. These are also the markets that have experienced the largest job growth over that same time period (+12%). With the addition of over half a million non-farm jobs in four years, these markets have been forced to densify as newly developed office

The chart displays the 'SF per Employee' metric over time. The y-axis represents the value, ranging from 180 to 220. The x-axis shows years from 2000 to 2020. A solid line represents historical data, which peaks at approximately 211 in 2010 and then declines to about 194 by 2018. From 2018 onwards, the data is shown as a dark blue line within a grey shaded area, indicating a forecast. The forecast shows a slight dip to 191 in 2019 before a minor recovery to 192 in 2020.

Year	SF per Employee
2000	188
2001	187
2002	188
2003	191
2004	194
2005	194
2006	192
2007	193
2008	196
2009	199
2010	211
2011	208
2012	206
2013	203
2014	200
2015	199
2016	198
2017	197
2018	194
2019	191
2020	192

City	Percentage of Black Population
Atlanta	25%
San Francisco	22%
Pittsburgh	20%
Charlotte	18%
Houston	16%
Northern VA	14%
Baltimore	12%
Manhattan	10%
Oakland/East Bay	8%
Denver	6%
Sacramento	4%
Washington, DC	2%
Minneapolis/St. Paul	1%
United States	0%
Silicon Valley	-1%
Boston	-2%
Detroit	-3%
Philadelphia	-4%
NJ - Central	-5%
Phoenix	-6%
Orange County	-7%
San Mateo County	-8%
Los Angeles	-9%
Chicago	-10%
Cleveland	-11%
NJ - Northern	-12%
San Diego	-13%
Dallas/Fort Worth	-14%
Seattle	-15%

## ENLARGE GRAPHS

Source: Cushman & Wakefield, Bureau of Labor Statistics, Moody's

DENSITY

space has not kept up with demand created by new employee growth.

Large markets (100+ msf of office space) and gateway markets have seen the next largest



Experience per SF™ analysis consistently has found that ensuring minimal distractions in the workplace is the top driver of employees' ability to focus on their work. Other common drivers include availability and access to data and information, privacy, and having the types of space needed for various tasks. Three of these four top levers point to the need to approach densification efforts with a focus on employees' day-to-day effectiveness and not just on cost savings. This requires a variety of space types throughout the office. Companies that have done this well have increased the right types of communal spaces in the right quantities, including any or all of the following: focus rooms for individual work, conference rooms of varying sizes and layouts, hospitality-styled meeting space for casual conversations, and areas for social breaks.

CLICK HERE TO VIEW DENSITY METRICS BY MARKET

Market	SF per Employee	Average Rent	Change (Since 2009)		
			SF Per Employee	Occupied Office Inventory	Job Growth
Atlanta	147	\$24	-22%	4%	33%
Austin	177	\$36	-9%	33%	46%
Baltimore	196	\$23	-8%	12%	21%
Birmingham	141	\$19	3%	9%	6%
Boston	184	\$38	-4%	14%	18%
Buffalo	163	\$18	0%	0%	1%
Chicago	160	\$31	-4%	12%	17%
Dallas/Fort Worth	191	\$26	4%	38%	32%
Dayton	139	\$15	10%	20%	9%
Denver	231	\$27	-3%	18%	22%
Detroit	171	\$19	-16%	9%	30%
Fairfield County	233	\$34	-10%	-8%	2%
Ft. Lauderdale	110	\$29	-15%	7%	25%
Greenville	242	\$19	-46%	-29%	32%
Hartford	121	\$21	-12%	-4%	9%
Houston	218	\$30	-15%	6%	24%
Jacksonville	119	\$19	-13%	10%	26%
Kansas City	143	\$20	-9%	8%	18%
Las Vegas	193	\$20	-19%	12%	38%
Long Island	111	\$30	2%	8%	6%
Los Angeles	160	\$38	-10%	5%	16%
Louisville	120	\$17	-13%	5%	20%
Memphis	124	\$18	-38%	-27%	17%
Miami	155	\$38	-18%	4%	28%
Milwaukee	124	\$19	-31%	-25%	8%
Minneapolis/St. Paul	118	\$25	-11%	4%	17%
Nashville	141	\$26	-18%	27%	55%
New Haven	142	\$21	-2%	6%	8%
New Orleans	252	\$18	-5%	7%	14%
NJ - Central	244	\$25	5%	17%	10%
United States	194	\$30	-8%	11%	20%

Market	SF per Employee	Average Rent	Change (Since 2009)		
			SF Per Employee	Occupied Office Inventory	Job Growth
NJ - Northern	244	\$29	2%	2%	0%
Northern VA	214	\$32	-13%	-6%	8%
NYC - Brooklyn	188	\$41	-3%	31%	35%
NYC - Manhattan	245	\$72	-10%	4%	15%
Oakland/East Bay	226	\$30	-13%	5%	21%
Oklahoma City	145	\$18	18%	31%	12%
Omaha	142	\$19	-11%	5%	17%
Orange County	177	\$30	0%	20%	21%
Palm Beach County	126	\$37	-17%	7%	28%
Philadelphia	158	\$26	-4%	7%	12%
Phoenix	149	\$25	-8%	17%	27%
Portland	151	\$27	-7%	17%	26%
Providence	122	\$18	-1%	13%	14%
Raleigh/Durham	268	\$24	-15%	20%	42%
Richmond	279	\$19	-17%	1%	22%
Rochester	124	\$20	0%	7%	7%
Salt Lake City	155	\$24	-6%	23%	31%
San Antonio	110	\$22	-2%	29%	31%
San Diego	199	\$35	5%	18%	12%
San Francisco	221	\$70	-22%	16%	48%
San Mateo County	280	\$57	-9%	11%	23%
Seattle	132	\$35	23%	52%	24%
San Jose/Silicon Valley	191	\$37	-3%	42%	47%
St. Louis	130	\$20	-8%	5%	15%
Suburban MD	261	\$27	1%	2%	2%
Syracuse	251	\$16	2%	2%	0%
Tulsa	214	\$13	17%	23%	5%
Washington, DC	118	\$54	-2%	9%	11%
Westchester County	220	\$29	-6%	-2%	5%
United States	194	\$30	-8%	11%	20%

DENSITY

One-third signed in 2 square foot averaged a of 33.3%. 2017 the t At the sam increasing average, le employee

This lease firm tenan Cushman & Wakefield's 2017 National Legal Sector Benchmark Survey allocations of square footage per attorney have been steadily declining since the inaugural survey in 2013. Over the past five years, the percentage of firms

year right after the Recession (2010-2013), but the annual declines have averaged only 0.2% since 2014.

1.0%





# AMENITIES

## OFFERING REAL ESTATE AS A SERVICE

In light of increasing densities, office occupiers are focusing more on the amenities they can offer to attract, retain, and delight employees. Millennials<sup>1</sup> are now the largest generation in the workforce, and surveys<sup>2</sup> indicate they are less interested in office size and more attracted by additional time off or other benefits. In addition, according to The 2017 National Legal Sector Benchmark Survey conducted by Cushman & Wakefield's Legal Sector Advisory Group, associates at law firms—overwhelmingly Millennials—rank work/life balance as the #1 most important factor in their job satisfaction; having a private office is #9 on the list.

The concept of “real estate as a service” is gaining traction as occupiers focus on employee needs and landlords look for competitive advantages in the pursuit of tenants. Within the hospitality industry, hotels have long focused on three types of amenities that serve their guests: on-site services, physical amenities, and technology. Offices have been good at addressing the first two buckets. Technology on the other hand, remains an area of opportunity and improvement.

### TENANT FOCUSED ON-SITE SERVICES

- Concierge services
- Dry cleaning
- Car washes
- Day care



### PHYSICAL AMENITIES

- Fitness centers
- Conference facilities
- Restaurants (in or around the building)
- Tenant-only spaces / clubs
- Differentiated offerings (e.g., bowling alleys, golf simulators, etc.)



### TECHNOLOGY

- High-speed internet (and WiFi)
- Cellular service
- Maintenance work order systems
- Common & conference space reservations



Physical amenities are the most costly to provide due to the construction costs for developing such spaces and, in many cases, the lost revenue from this alternative use. Adding services has the lowest barrier to entry, and either landlords and/or occupiers can provide them to make office workers' lives easier. Technology has historically not been as high a priority, but the shrinking costs of technology development, the growth in real-estate-focused technology investment, and the growing demand from employees for custom workplace experiences are creating a tremendous opportunity.

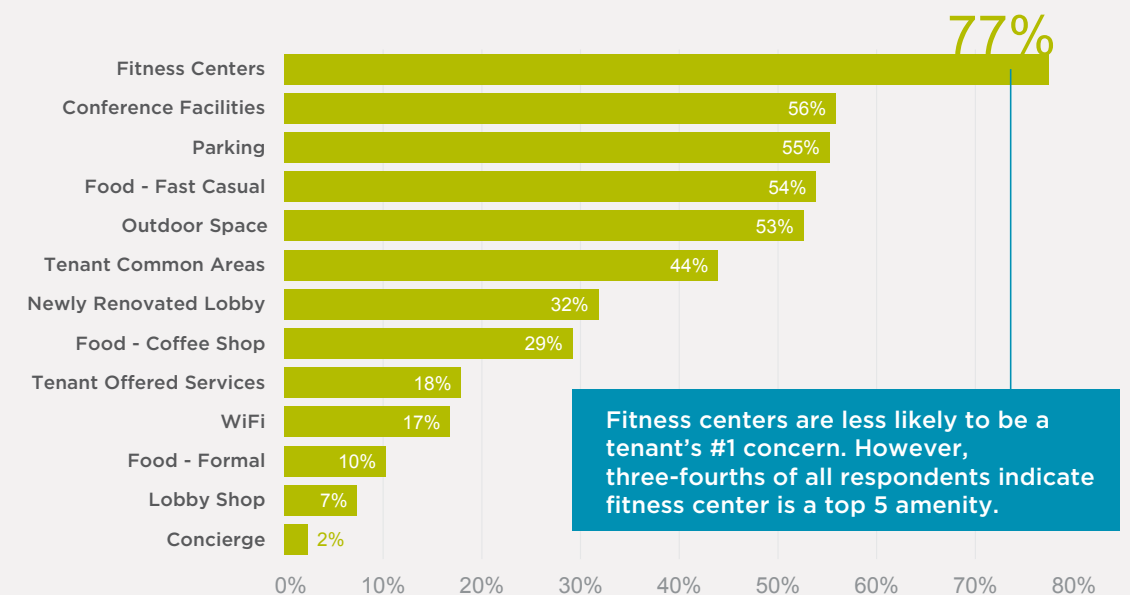
## IN-DEMAND AMENITIES

Cushman & Wakefield surveyed brokers across the country representing tenants and landlords. The two groups had similar perspectives on the most in-demand amenities currently. While the order was somewhat different, the four most commonly cited amenities by both the tenant and landlord brokerage communities were the same.

[CLICK HERE VIEW #1 RANKINGS](#)

[CLICK HERE VIEW TOP 5 RANKINGS](#)

### Top 5 Rankings



Source: Cushman & Wakefield

<sup>1</sup> Millennials are typically defined as anyone born between 1980 and 2000.

<sup>2</sup> The Gallup 2017 State of the American Workplace indicates that Millennials are most likely to change jobs for a position that offers benefits and perks that support family life and flexibility, like paid maternity/paternity leave, childcare reimbursement, and flexible working options. The 2017 Deloitte Millennial Survey indicates that young workers with location and time flexibility have considerably higher perceptions of their company, their colleagues, and their own work productivity and engagement.



## AMENITIES

## TECHNOLOGY AMENITIES

Interest in real estate technology (or PropTech) has grown over the past five years. According to PitchBook data the number of venture capital investments in real estate technology startups and early-stage companies more than doubled between 2013 and 2017. The value invested in these PropTech deals nearly quadrupled over the same time period—from \$523 million to just shy of \$2 billion.

Cushman & Wakefield's workplace strategy consulting research (Experience per SF™) has identified that improving collaborative technology and data access / information availability can have large impacts on employees' experiences and drive improvements in team effectiveness. Despite this, many office buildings continue to struggle with some of the basic offerings such as seamless, high-speed internet and cellular service.

As development costs decline, technology is increasingly not limited by building type. Class B offices can invest in technology in ways that match Class A assets. Coworking (see box) illustrates this strategy, with much of its growing inventory in Class B assets that have been built out with high-quality finishes and cutting-edge technology. Occupiers searching out cost efficiencies can invest some of their Class B rent savings in technology that creates a first-class interior working experience even in a more dated building.

## COWORKING TAKES AMENITIES TO A NEW LEVEL

The high-quality finishes and amenities offered by coworking providers—along with the flexibility coworking offers big and small companies—are strong draws for members. As with traditional office product, many of these amenities can be categorized as services, physical amenities, and technology. However, coworking providers have been creative in finding new amenities that offer their members value.

**COMMUNITY:** Many coworking providers are highly focused on creating communities. One specific way this is offered is through events that connect members, but also provide opportunities to learn from diverse leaders in a local market.

**PARTNERSHIPS:** By utilizing economies of scale, providers have developed partnerships with third-parties to allow members—be they freelancers or corporate employees—to access cost savings and unique benefits (e.g., back-office services, technology, travel, ride sharing, etc.).

**TECHNOLOGY & DATA:** Applications have been developed that allow users to find locations, book space, and connect with other members. Additionally, technology provides a growing repository of data on when, where, and how people work; that means each new location is informed by data from prior offices. Some buildings are being retrofitted with HVAC systems that automatically respond to high CO2 and pollutant levels in the air, preventing employees from becoming drowsy.<sup>3</sup>

<sup>3</sup> CB Insights 2018

Increasingly occupiers will be investing in technology that benefits their employees and strengthens their businesses:

- **Space usage:** Technologies that allow occupants to quickly and easily reserve space and then connect their devices with a room's technology will increase efficiency and productivity, allowing for greater worker mobility within the office.
- **Sensors:** Data collection that assists occupiers in tracking how and when space is used in order to structure space for maximum benefit, comfort and cost savings. Sensor technology will also start to offer health and wellness benefits to individual employees just as tech “wearables” have driven personal health and activity tracking.
- **Support:** Communication technology that allows employees to seamlessly connect with maintenance, cleaning, facilities management, and even IT personnel. This will allow office workers to solve technology problems quickly, alert the appropriate people of maintenance and cleanliness issues, and even provide feedback on facilities management services.
- **Services:** Occupiers will aggregate and curate a list of third-party applications that provide services to its employees (potentially at reduced costs or even for free). This may include apps designed for parking concierge, food delivery, and coordinating personal errands (e.g., dry cleaning, car washing, pet care, etc.).
- **Analytics:** As data collection improves, technologies will provide in-depth, simplified analysis of key trends and meaningful insights. These findings will help occupiers predict the maintenance lifecycle, manage costs, and optimize maintenance staff needs. The mixture of business data companies are collecting with usage information and real estate market data can be a powerful combination to provide portfolio, market, and building-level insight to drive decision making, lower costs, and forecast trends.
- **Automation:** Offices will increasingly utilize robotics and automation to execute necessary functions including security, cleaning, and mail delivery. Additionally, occupiers will be able to leverage voice-recognition software and optical character recognition which allows machines to read and convert typed or hand-written text.





# PARKING

## PARKING, PARKING EVERYWHERE AND NOT A SPOT TO USE

Nationally, there is an oversupply of parking. Several studies<sup>4</sup> indicate that there are three or more parking spaces per motor vehicle in the United States. While that is more than enough parking in the aggregate, supply is a concern in specific, high-density locations. The increase in office densities—fitting a larger number of people into the same amount of office space—has exacerbated the challenge of meeting office workers’ parking needs. In some cases this has entailed providing valet or shuttle services to connect offices with off-site parking or even lots/garages in different parts of a city. The most famous example of this is Google; the company connects its Mountain View campus with various stops throughout San Jose/Silicon Valley, San Francisco, and the East Bay.

However, most companies can’t or don’t want to create their own mass transit system, and instead will incentivize employees to take advantage of existing public transportation options. Occupiers have subsidized public transportation or even shared-ride services for their employees. In fact, the predominant reason people utilize shared-ride services, such as Uber and Lyft, is to avoid parking. Among urban respondents to a University of California/Davis ride-sharing survey,<sup>5</sup> 37% cited parking-related concerns as a reason to substitute ride sharing for personal driving.

Additionally, many local municipalities are investing heavily in alternative transportation such as bike infrastructure. There are also third-party technology providers trying to solve parking challenges through apps that offer valet services to park one’s car or assist in finding and booking parking nearby. While the financial models for these types of services have not yet been proven viable, there is appetite for technology solutions that reduce the parking pain points in certain submarkets.

### PARKING ALLOCATIONS CONSISTENT AS COSTS INCREASE

Nationally, parking allocations for office buildings have largely remained consistent over the past few years with an average of three spots for each 1,000 sf of office space leased. This is the equivalent of one parking spot for every 345 sf of leased space. Allocations vary by market and region. In the South, occupiers have 3.3 spots per 1,000 sf. Parking is the tightest in the Northeast with only 2.2 parking spots per 1,000 sf of leased space (or one spot per 455 sf leased).

The cost of parking varies across regions in a similar manner, with higher rates in markets where fewer spots are allocated. The national average is \$183 per month per space; the average is nearly double that in the Northeast (\$357 per month). Parking is least expensive in the South (\$122 per month).

<sup>4</sup> “Estimating parking lot footprints in the Upper Great Lakes Region of the USA” by Amélie Y. Davis et al., identified 43 million parking spots in four states (IL, IN, MI, and WI) for an average of three spaces per vehicle. “Smart Parking and the Connected Consumer,” by Steven H. Bayless and Radha Neelakantan, estimated there are four to five spaces per motor vehicle across the United States.

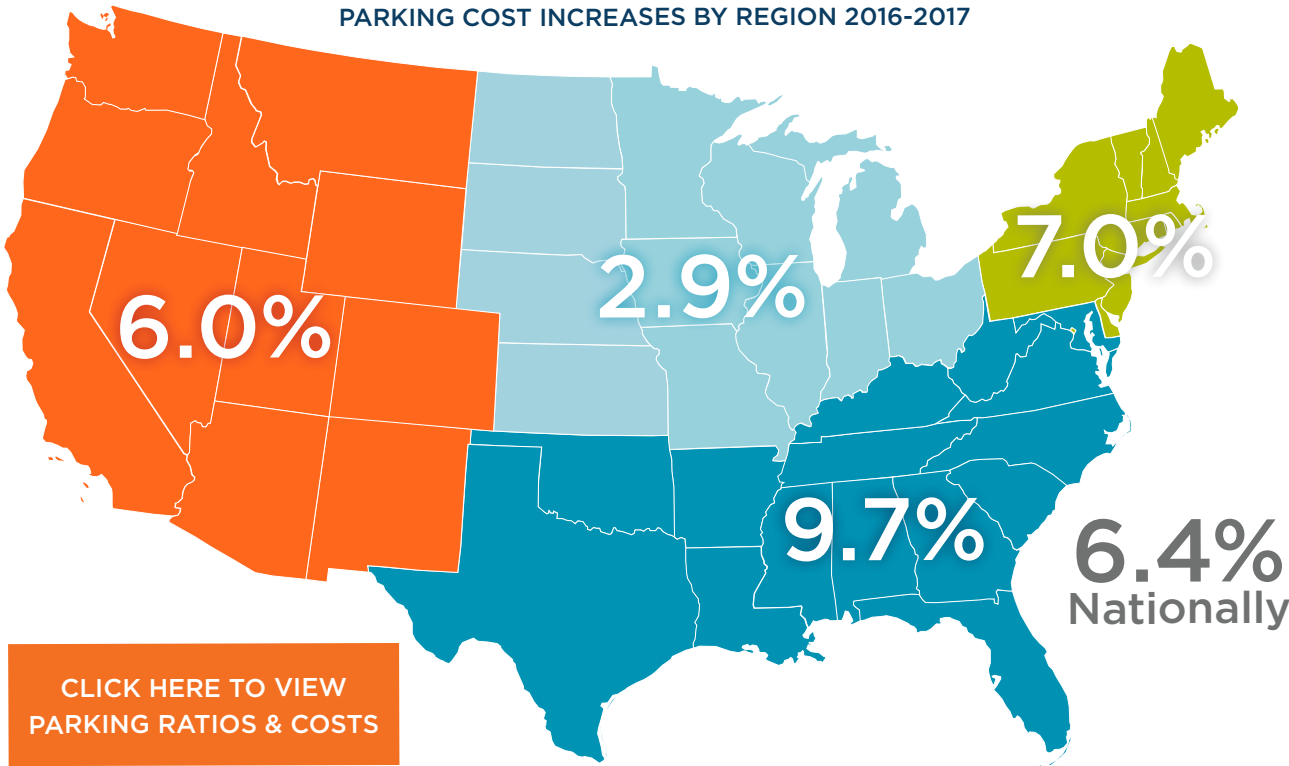
<sup>5</sup> “Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States,” by Regina R. Clewlow and Gouri Shankar Mishra.

2017 REGIONAL SNAPSHOT			Allocation (per 1,000 sf) Cost per Parking Spot	
Midwest	Northeast	South	West	National
3.3	2.2	3.3	2.4	2.9
\$174	\$357	\$122	\$227	\$183



PARKING

MARKET	PARKING PER 1,000 SF	SF PER PARKING SPOT	2016 - COSTS PER PARKING SPOT	2017 - COSTS PER PARKING SPOT	1-YEAR CHANGE	FORECAST
Atlanta	1.0	1,000	\$100	\$125	25%	▲
Austin	3.1	323	\$160	\$175	9%	▲
Birmingham	3.0	333	\$100	\$100	0%	▲
Boston	0.5	2,000	\$500	\$520	4%	▲
Chicago	3.0	333	\$450	\$450	0%	◄
Cincinnati	5.0	200	\$125	\$125	0%	◄
Cleveland	3.5	286	\$175	\$200	14%	▲
Dallas/Fort Worth	4.0	250	\$70	\$80	14%	◄
Dayton	1.0	1,000	\$85	\$85	0%	▲
Denver	2.3	444	\$111	\$111	0%	◄
Detroit	4.0	250	\$200	\$200	0%	◄
Ft. Lauderdale	4.0	250	\$113	\$130	16%	▲
Indianapolis	2.5	400	\$105	\$99	-6%	◄
Jacksonville	5.0	200	\$125	\$125	0%	▲
Kansas City	3.0	333	\$90	\$95	6%	▲
Los Angeles	1.3	800	\$300	\$300	0%	◄
Louisville	4.0	250	\$80	\$80	0%	◄
Miami	2.1	476	\$150	\$155	3%	◄
Oakland/East Bay	1.0	1,000	\$164	\$225	37%	◄
Orlando	4.0	250	\$118	\$130	11%	▲
Palm Beach County	3.5	286	\$75	\$75	0%	▲
Philadelphia	1.0	1,000	\$400	\$450	13%	▲
Puget Sound	3.5	286	\$215	\$220	2%	◄
Raleigh/Durham	4.0	250	\$80	\$80	0%	◄
Salt Lake City	3.0	333	\$90	\$90	0%	◄
San Diego	3.7	270	\$104	\$104	0%	◄
San Francisco	0.8	1,250	\$430	\$430	0%	◄
Seattle	1.5	667	\$300	\$337	12%	◄
San Jose/Silicon Valley	3.0	333	\$135	\$135	0%	◄
Southern New Hampshire	3.0	333	\$100	\$100	0%	▲
Tampa/St. Petersburg	5.0	200	\$25	\$75	200%	▲
Washington, DC	0.7	1,500	\$245	\$250	2%	◄
United States	2.9	345	\$172	\$183	6.4%	▲



Oakland/East Bay  
COST PER PARKING SPOT  
UP IN 2017

37%

INDIANAPOLIS  
COST PER PARKING SPOT  
DOWN IN 2017

6%



	2017			
MARKET	FREE RENT VALUE	TI ALLOWANCE	TOTAL CONCESSIONS	1-YEAR CHANGE
NYC - Midtown	\$80	\$87	\$167	33%
Washington, DC	\$56	\$98	\$154	8%
NYC - Downtown	\$53	\$80	\$134	42%
NYC - Midtown South	\$63	\$69	\$132	32%
San Francisco	\$18	\$73	\$91	27%
NYC - Brooklyn	\$25	\$55	\$79	12%
Chicago	\$20	\$55	\$75	6%
Philadelphia	\$13	\$60	\$73	8%
Northern VA	\$21	\$50	\$71	-12%
Boston	\$8	\$56	\$65	19%
Oakland/East Bay	\$11	\$40	\$51	11%
New Jersey	\$14	\$35	\$49	13%
Fairfield/Westchester County	\$12	\$34	\$45	-21%
San Jose/Silicon Valley	\$10	\$35	\$45	21%
Los Angeles	\$12	\$29	\$42	-11%
Atlanta	\$11	\$31	\$41	6%
Louisville	\$3	\$38	\$41	6%
Miami	\$8	\$30	\$38	-24%
Puget Sound	\$4	\$32	\$37	-7%
Palm Beach County	\$15	\$20	\$35	3%
Dallas/Fort Worth	\$8	\$27	\$35	9%
Raleigh/Durham	\$7	\$29	\$35	10%
Seattle	\$4	\$30	\$34	-3%
Indianapolis	\$7	\$27	\$34	1%
San Diego	\$9	\$24	\$32	18%
Columbus	\$7	\$25	\$32	-5%
San Mateo County	\$7	\$23	\$30	-25%
Denver	\$6	\$24	\$30	-7%
Kansas City	\$5	\$25	\$30	-14%
Salt Lake City	\$6	\$23	\$29	12%
Omaha	\$8	\$20	\$28	0%
Cincinnati	\$5	\$23	\$28	4%
Detroit	\$8	\$18	\$26	0%
Tampa	\$5	\$20	\$25	-27%
Birmingham	\$5	\$20	\$25	0%
Inland Empire	\$4	\$20	\$24	37%
Cleveland	\$2	\$20	\$22	0%
Orlando	\$4	\$18	\$22	-16%
Ft. Lauderdale	\$18	\$4	\$22	2%
Jacksonville	\$6	\$15	\$21	-28%
Austin	\$3	\$17	\$20	-12%
Dayton	\$4	\$10	\$14	0%
Southern New Hampshire	\$3	\$10	\$13	-10%

This mirrors the trend in broader vacancy rates which have increased 54 basis points in gateway markets from 2016 to 2017. In addition, rents in gateway markets have increased, but those increases have been somewhat offset by increases in free rent and TI allowances as owners “buy” elevated rent levels in order to meet pro forma. In the six gateway markets, the average increase in concessions was \$19.00 in 2017, up 21.7% from the end of 2016.

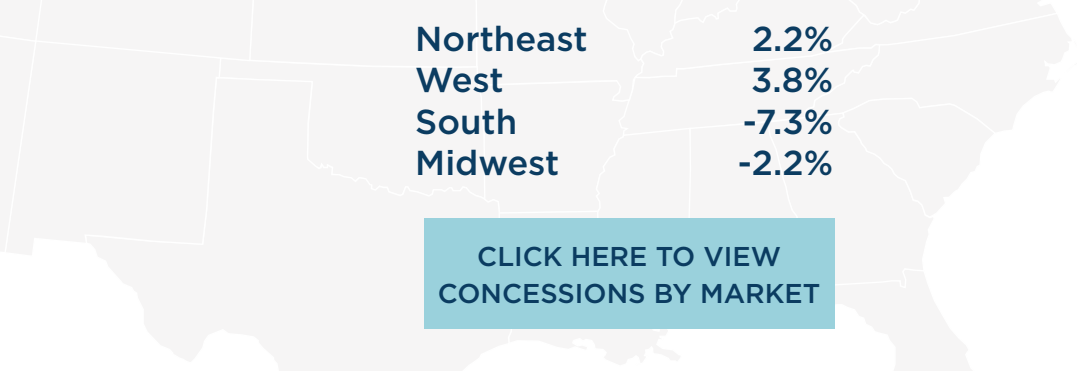
San Francisco registered the second largest increase in total concessions--behind the three Manhattan markets--up 27% year-over-year (YoY). During the same time frame, San Francisco’s asking rents increased only 1.8%. The only gateway market to see total concession levels decline was Los Angeles, which also registered the largest increase in rental rates (+9.4%). Three New York City markets experienced declines in rental rates: Brooklyn, Midtown, and Midtown South.

New construction is a factor in how much landlords are willing to offer in terms of concessions. Some markets that have seen concessions rise considerably faster than the national average—such as Manhattan, Washington, DC, and San Francisco—also have large amounts of construction ongoing in 2018, which could lead to even more generous concessions in the coming years. Nearly 60% of all construction ongoing right now is in just 15 markets.

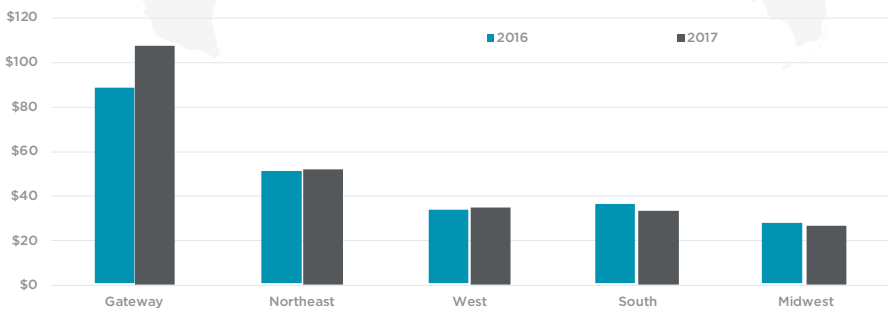
TI ALLOWANCE INCREASES BY REGION 2016-2017

Gateway Markets: 21.7%

Boston | Chicago | Los Angeles | New York City | San Francisco | Washington, DC



TI ALLOWANCE BY REGION





CONCESSIONS

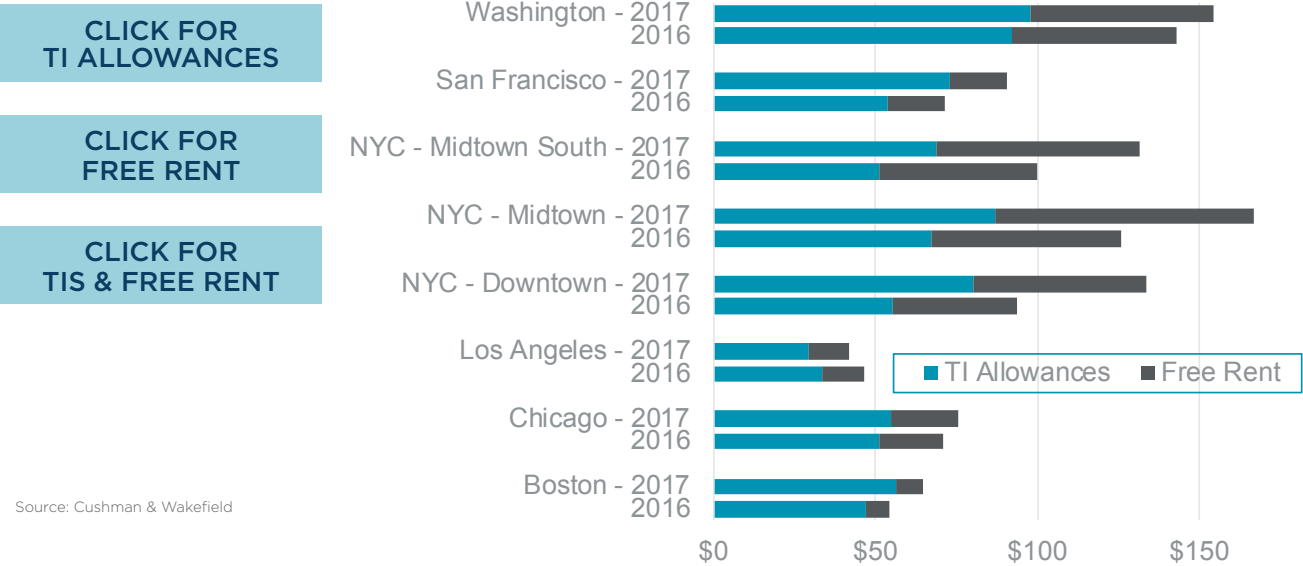
GATEWAY MARKET	INCREASE IN RENT	INCREASE IN CONCESSIONS	INCREASE IN VACANCY
Boston	7.9%	19.2%	+40 bps
Chicago	2.7%	6.4%	+200 bps
Los Angeles	9.4%	-10.7%	+90 bps
NYC - Brooklyn	-2.3%	11.5%	-90 bps
NYC - Downtown	1.6%	42.2%	-150 bps
NYC - Midtown	-1.8%	32.7%	-10 bps
NYC - Midtown South	-2.8%	31.6%	+20 bps
San Francisco	1.8%	27.0%	+60 bps
Washington, DC	3.8%	8.1%	+30 bps

*\*Increases are from year-end 2016 to year-end 2017*  
Source: Cushman & Wakefield

MARKET	TI ALLOWANCES	FREE RENT
Atlanta	▲	▼
Austin	◄	◄
Boston	▲	◄
Chicago	▲	▲
Cincinnati	▲	◄
Cleveland	◄	◄
Columbus	◄	▼
Dallas/Fort Worth	◄	◄
Denver	◄	◄
Detroit	▲	▲
Fairfield/Westchester	▼	▼
Ft. Lauderdale	▼	▼
Indianapolis	▲	◄
Kansas City	◄	◄
Los Angeles	◄	◄
Miami	▼	◄
New Jersey	▲	◄
NYC - Downtown	▲	▲
NYC - Midtown	▲	▲
NYC - Midtown South	▲	▲
Oakland/East Bay	◄	◄
Orlando	▼	◄
Philadelphia	▲	◄
Phoenix	▲	▼
Puget Sound	◄	◄
Raleigh/Durham	▲	◄
Salt Lake City	▲	◄
San Diego	▲	▲
San Francisco	◄	◄
San Jose/Silicon Valley	▲	◄
San Mateo County	▲	▲
Seattle	◄	◄
Tampa/St. Petersburg	▼	◄
Washington, DC	▲	▲

TI allowances is likely to increase in the near future.

GATEWAY MARKETS - TIS & FREE RENT



FORECASTS

The trend of increasing TI allowances is likely to spread to more markets in the near future. Half of local markets are expected to see increased TI allowances in 2018. This includes a continued increase in most gateway markets, along with an expected acceleration of concessions in other large markets in different corners of the U.S.

- Midwest:** TI allowances in all markets are expected to remain stable or increase in the near future. Both free rent and TI allowances are projected to increase in Chicago and Detroit.
- Northeast:** Forecasts for non-gateway markets are mixed, with increases expected in New Jersey and Philadelphia, while markets just outside of New York City—Fairfield and Westchester Counties—are likely to see concessions decline.

2017 MONTHS OF FREE RENT

NYC-Midtown **13.4**

Northern VA **7.8**

Atlanta **5.2**

San Jose/Silicon Valley **3.0**

CLICK HERE TO VIEW CONCESSIONS FORECAST



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X

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## EXHIBIT 24



## Research &amp; Forecast Report

## NASHVILLE | OFFICE

Mid-Year 2019



Accelerating success.

## Corporate Relocations, Robust Leasing Activity and Investor Interest Keep Nashville Office Market Competitive at Mid-Year 2019

### Nashville Market

Nashville continues to thrive on corporate relocations and expansions across multiple industries. The market's solid and consistent job growth, favorable business costs and quality of life have resulted in a confident office market for businesses and developers in the first half of 2019.

Mitsubishi Motors announced it would relocate to Franklin, Tennessee in Cool Springs, bringing 200 jobs and representing an \$18.25 million investment. That same week, Pilot.com revealed it would open its new account management headquarters in Nashville, predicting 450 jobs over the next five years. In May, Medacta USA announced it is moving its U.S. headquarters to Cool Springs, adding 50 jobs over the next five years. Xtend Healthcare also announced a \$1.3 million expansion of its operations in Sumner County, and the creation of 200 jobs.

Leasing activity exceeded well over a million square feet during Q2, with Amazon's new 500,000 square foot lease at Nashville Yards topping the list. WeWork expanded its footprint signing leases totalling 96,600 square feet at two newly constructed buildings. Postmates' new lease for 94,090 square feet in MetroCenter is part of the company's expansion that will add 500 jobs.

Market fundamentals continue to favor the Nashville market in this cycle. Tenant demand has kept new development, rental rates, and absorption elevated. Investor interest skyrocketed in 2018, and office investment during the first half of 2019 significantly outpaced that of 2018, 2017 and 2016 at \$660 million. YTD net absorption has reached nearly 625,000 SF for the first time in two years, and Nashville's amount of construction underway as a percentage of inventory is the largest in the nation.

### Absorption & Leasing Activity

Nashville's office market posted 519,336 square feet of positive net absorption at the close of 2Q 2019, the highest quarterly absorption since 3Q 2017.

- The largest occupancy in 2Q 2019 was the 223,700 square foot move-in of Mars Petcare at their new headquarters in the Cool Springs submarket, accounting for 43% of the market's absorption for the quarter.
- Downtown experienced nearly 125,000 square feet in positive net absorption this quarter with the occupancies of Healthstream (91,807 SF) at Capitol View and Smile Direct Club's expansion (22,288 SF) at Philips Plaza.
- The strength of office leasing was evident in 2Q, as Amazon signed a new lease for 500,000 SF at **Southwest Value Partners' Nashville Yards development**, Postmates inked a new deal for 94,090 square feet in MetroCenter, and WeWork executed a new deal to occupy 65,000 feet of new construction at Capitol View.

### SUMMARY STATISTICS

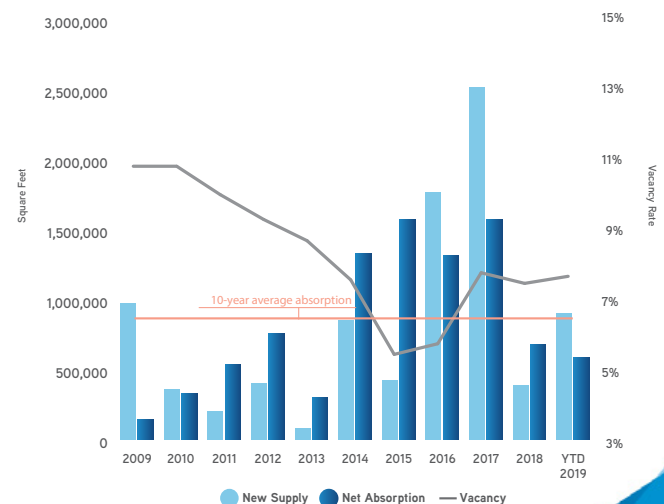
2Q 2019 Nashville Office Market	Entire Market	Downtown	Suburban
Vacancy Rate	7.6%	6.7%	8.0%
Change From 1Q 2019 (basis points)	+10	+130	-50
2Q Absorption	519,336	161,110	358,226
New Deliveries	744,540	300,000	444,540
Under Construction (Square Feet)	3.85M	2.67M	1.18M

### ASKING RENTS

Per Square Foot Per Year (FSG)

Market Average	\$28.05
Market Class A	\$31.21
Downtown Class A	\$34.90
Suburban Class A	\$30.30

### NEW SUPPLY, ABSORPTION, & VACANCY



## Q2 2019 NOTABLE LEASING ACTIVITY

PROPERTY	TENANT	LEASE TYPE	SF	SUBMARKET
Nashville Yards	Amazon	New	500,000	Downtown
431 Great Circle Road	Postmates	New	94,090	MetroCenter
Capitol View - Block E	WeWork	New	65,000	Downtown
Mallory Green	Video Gaming Technologies	New	33,229	Cool Springs
One Nashville Place	AllianceBernstein	New	32,700	Downtown
18th & Chet	WeWork	New	31,594	Green Hills/MR
Trolley Barns	Emma, Inc.	Renewal	30,601	Downtown

## Vacancy & Availability

- Nashville's market-wide Class A average vacancy rate has remained under 10% since 1Q 2018, closing mid-year 2019 at 9.0%.
- Tenants continue to favor Downtown Nashville, as vacancy in the submarket's 20 largest office towers decreased for the seventh consecutive quarter to 8.5% in 2Q 2019. Over last quarter, Downtown experienced a slight uptick in Class A vacancy with the delivery of Capitol View Block E (300,000 SF).
- The Cool Springs submarket currently has the largest amount of Class A direct space available at nearly 936,000 square feet.
- Nashville is bracing for another wave of office deliveries exceeding 682,000 square feet by the end of 2019 that will result in 495,150 available square feet. Eighty percent of this new space is located in the suburban submarkets.

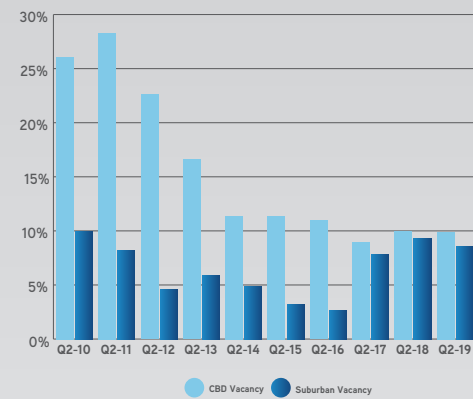
## Rental Rates

- The overall decreases in Class A vacancy over the last 12 months continue to be met with increases in an average rate totaling over \$30.00 per square foot market-wide. At \$31.21 per square foot for Class A space in Q2 2019, this represents a 2.7% increase over last quarter and 4.9% a year ago.
- Asking rents have exceeded \$40 per square foot for new construction in the Downtown submarket, with rates for existing buildings trailing by \$5-\$10 per square foot at \$34.90 for existing product. Class A rental rates in the urban submarkets on the borders of Downtown continue to climb, with Class A rates reaching \$38.30 per square foot in Green Hills/Music Row and \$33.30 per square foot in West End.

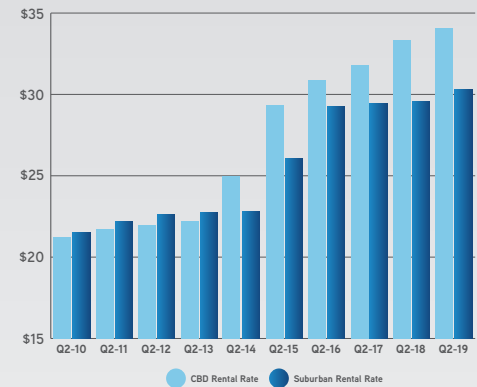
## Office Development

- Year-to-date, developers have added 911,546 square feet to the market, with only 30% of space available. Notable deliveries during 2Q include **One Music Circle South** (107,840 SF), Capitol View (300,000 SF), and Mars Petcare (223,700 SF).
- Nashville has 3.85 million square feet of office space under construction market wide, with 70% located in Downtown Nashville. **Nashville Yards Parcels 4 and 3A**—totaling a combined 1M square feet—Asurion (552,000 SF), and 501 Commerce (375,000 SF) are some of the largest projects in the market and will join the Nashville skyline by 3Q 2022.
- Middle Tennessee has 2.2 million square feet of speculative product under construction. Developers are confident in the Nashville market, as tenants continue to flock to new space. Additionally, of the 3,859,404 square feet that delivered since 1Q 2017, 87% is leased.

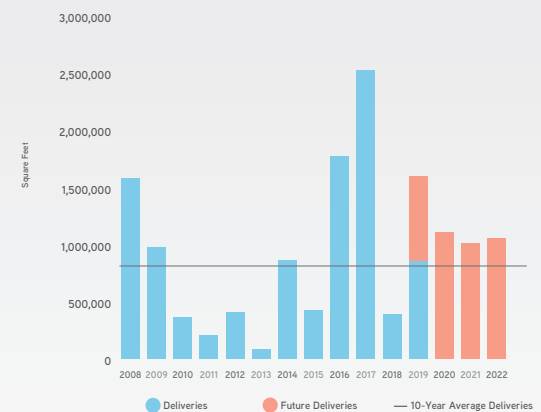
### CLASS A VACANCY RATES: CBD VS SUBURBAN



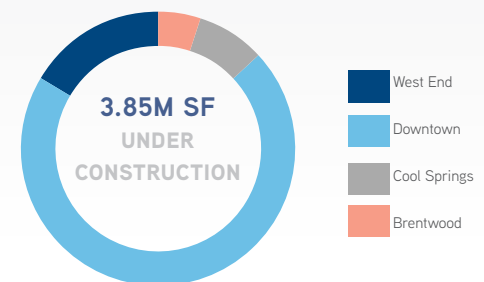
### CLASS A RENTAL RATES: CBD VS SUBURBAN



### NASHVILLE MARKET NEW DELIVERIES



### CONSTRUCTION BY SUBMARKET



NASHVILLE OFFICE MARKET								
MARKET	BUILDINGS	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLEASE VACANT (SF)	TOTAL VACANCY RATE	2Q ABSORPTION	YTD NET ABSORPTION	AVG RENTAL RATE PSF (GROSS)
AIRPORT NORTH								
Class A	12	2,292,908	393,470	33,043	18.6%	-10,430	-24,190	\$26.30
Class B	38	2,534,724	110,817	10,758	4.8%	-32,567	-23,817	\$18.85
Class C	6	263,844	50,601	0	19.2%	-2,010	5,262	\$17.05
<b>TOTAL</b>	<b>56</b>	<b>5,091,476</b>	<b>554,888</b>	<b>43,801</b>	<b>11.8%</b>	<b>-45,007</b>	<b>-42,745</b>	<b>\$23.26</b>
AIRPORT SOUTH								
Class A	5	482,121	3,453	0	0.7%	3,453	3,453	\$32.10
Class B	64	4,652,502	519,310	17,547	11.5%	10,555	4,551	\$21.93
Class C	29	1,443,595	148,975	0	10.3%	3,501	3,801	\$20.75
<b>TOTAL</b>	<b>98</b>	<b>6,578,218</b>	<b>671,738</b>	<b>17,547</b>	<b>10.5%</b>	<b>17,509</b>	<b>11,805</b>	<b>\$21.57</b>
BRENTWOOD								
Class A	27	3,176,058	195,787	27,139	7.0%	16,334	36,713	\$31.45
Class B	55	3,642,394	421,088	36,642	12.6%	30,597	21,917	\$27.50
Class C	6	239,924	7,389	0	3.1%	0	0	\$23.60
<b>TOTAL</b>	<b>88</b>	<b>7,058,376</b>	<b>624,264</b>	<b>63,781</b>	<b>9.7%</b>	<b>46,931</b>	<b>58,630</b>	<b>\$28.43</b>
COOL SPRINGS								
Class A	46	6,703,097	513,698	87,712	9.0%	259,293	260,744	\$30.84
Class B	61	2,549,420	173,858	7,810	7.1%	15,230	-19,768	\$26.36
Class C	4	130,265	0	0	0.0%	0	1,680	\$16.60
<b>TOTAL</b>	<b>111</b>	<b>9,382,782</b>	<b>687,556</b>	<b>95,522</b>	<b>8.3%</b>	<b>274,523</b>	<b>242,656</b>	<b>\$29.64</b>
DOWNTOWN								
Class A	22	7,291,226	633,752	88,384	9.9%	124,929	198,223	\$34.90
Class B	45	3,834,568	144,706	9,449	4.0%	37,491	40,919	\$28.20
Class C	28	3,431,541	92,372	5800	2.9%	-1,310	4,744	\$25.23
<b>TOTAL</b>	<b>95</b>	<b>14,557,335</b>	<b>870,830</b>	<b>103,633</b>	<b>6.7%</b>	<b>161,110</b>	<b>243,886</b>	<b>\$31.61</b>
GREEN HILLS/MUSIC ROW								
Class A	12	1,459,237	173,612	6,401	12.3%	35,862	52,074	\$38.30
Class B	39	1,722,449	39,254	3646	2.5%	-94	-14,087	\$28.61
Class C	17	692,912	7,758	1,100	1.3%	637	-791	\$26.45
<b>TOTAL</b>	<b>68</b>	<b>3,874,598</b>	<b>220,624</b>	<b>11,147</b>	<b>6.0%</b>	<b>36,405</b>	<b>37,196</b>	<b>\$35.87</b>
METROCENTER								
Class A	2	339,032	0	0	0.0%	0	0	\$25.50
Class B	16	1,155,614	33,089	0	2.9%	9,042	7,600	\$24.31
Class C	5	289,442	0	0	0.0%	0	0	\$17.00
<b>TOTAL</b>	<b>23</b>	<b>1,784,088</b>	<b>33,089</b>	<b>0</b>	<b>1.9%</b>	<b>9,042</b>	<b>7,600</b>	<b>\$24.37</b>
RIVERGATE/HENDERSONVILLE								
Class A	11	662,383	31,925	2300	5.2%	12,097	10,249	\$21.80
Class B	19	947,362	34,963	0	3.7%	-500	23,450	\$19.25
Class C	15	780,723	15,534	0	2.0%	-4,429	-5,996	\$18.40
<b>TOTAL</b>	<b>45</b>	<b>2,390,468</b>	<b>82,422</b>	<b>6235</b>	<b>3.7%</b>	<b>7,168</b>	<b>27,703</b>	<b>\$20.04</b>
WEST END								
Class A	18	2,982,830	79,043	8,382	2.9%	23,969	58,513	\$33.33
Class B	28	1,962,802	102,299	2152	5.3%	5,119	-2,232	\$30.52
Class C	13	597,583	24,506	0	4.1%	-17,433	-18,976	\$28.92
<b>TOTAL</b>	<b>59</b>	<b>5,543,215</b>	<b>205,848</b>	<b>10,534</b>	<b>3.9%</b>	<b>11,655</b>	<b>37,305</b>	<b>\$32.21</b>
MARKET								
Class A	155	25,388,892	2,024,740	253,361	9.0%	465,507	595,779	\$31.21
Class B	365	23,001,835	1,579,384	88,004	7.2%	74,873	38,533	\$25.95
Class C	123	7,869,829	347,135	6,900	4.5%	-21,044	-10,276	\$23.62
<b>MARKET TOTAL</b>	<b>643</b>	<b>56,260,556</b>	<b>3,951,259</b>	<b>348,265</b>	<b>7.6%</b>	<b>519,336</b>	<b>624,036</b>	<b>\$28.05</b>

## 2019 YTD NOTABLE INVESTMENT ACTIVITY

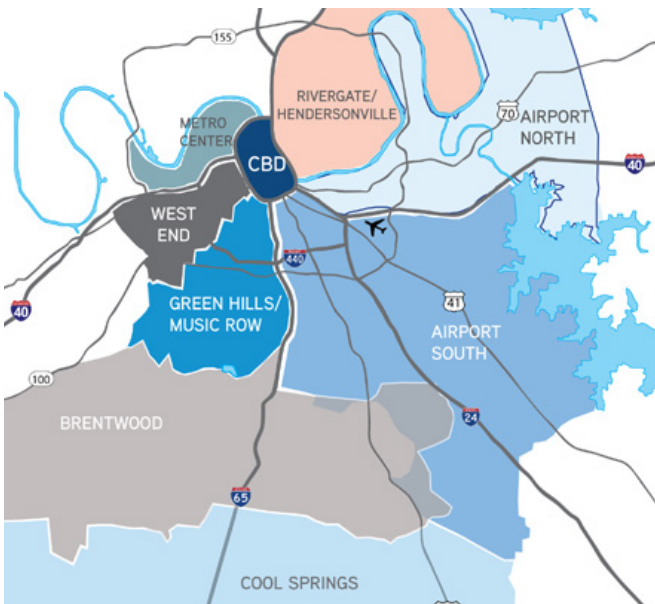
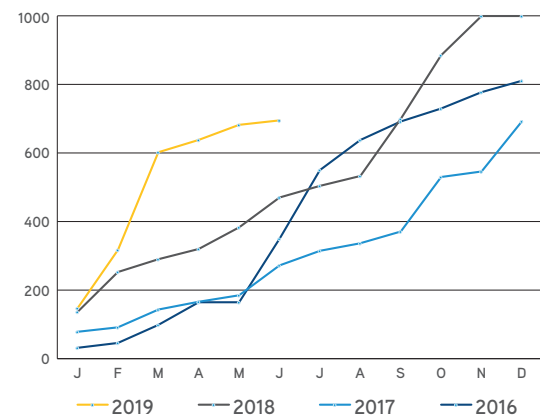
PROPERTY	BUYER	SF	PRICE	PRICE/SF	SUBMARKET
UBS Tower	Shorenstein	602,377	\$135,000,000	\$224	Downtown
Philips Plaza	Wheelock Street Capital	435,525	\$111,500,000	\$256	Downtown
Nashville City Center	CapRidge Partners	480,224	\$104,563,917	\$218	Downtown
Highland Ridge I & II	Innovatus	341,096	\$63,600,000	\$186	Airport North
Plaza Tower	Boyd Watterson	198,421	\$36,000,000	\$181	MetroCenter

Source: RCA Analytics

## Investment Activity

- Office investment in Nashville at mid-year 2019 exceeded \$660.6 million, surpassing the totals of the past three years during the same time frame. Momentum continued in the first and second quarters of 2019, following a record year of investor interest in 2018.
- Three of the largest sales this year were the purchases of Downtown office towers UBS Tower for \$135M at \$224/SF; Philips Plaza for \$115 million at \$256/SF; and Nashville City Center for \$104 million at \$218/SF.
- The sale of Highland Ridge I and II in the Airport North submarket was 2019 YTD's largest suburban office deal, trading at \$63.6 million for \$186 per square foot.

## CUMULATIVE MONTHLY INVESTMENT VOLUME (\$ MIL)



## DEFINITIONS

**Colliers Inventory** - Statistical set consists of all office properties of more than 20,000 SF, including owner-occupied. The data set excludes properties that are for educational, medical and government use. While Colliers attempts to provide the most accurate data at the end of every quarter, revisions are made throughout the year accounting for discrepancies in past reporting.

**Class A Building** - Most prestigious buildings competing for premier office users with rents above average for the area. Buildings have high quality standard finishes, state-of-the-art systems, exceptional accessibility and a definite market presence.

**Class B Building** - Buildings competing for a wide range of users with average rents. Building finishes are fair to good for the area, and systems are adequate; but the building does not compete with Class A at the same price.

**Class C Building** - Buildings competing for tenants requiring functional space at rents below the average for the area.

**Net Absorption** - The net change in occupied space between the current quarter and the previous quarter, calculated by summing all the positive changes in occupancy and subtracting all the negative changes in occupancy.

**SF** - Square Feet

**Vacancy Rate** - Percentage rate of the total amount of physically vacant space divided by the total amount of existing inventory.

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Accelerating success.

## **EXHIBIT 25**





# Nashville

Q1 2019

## Office Insight

# Urban asking rents continue to climb; large blocks of existing space are taken by new to market tenants

- Large blocks of temporary space are taken by new employers moving to town looking to ramp up operations quickly
- Vacancy increases this quarter by 60 basis points, settling at 11.2 percent, while deliveries for Q1 2019 total 161,000 square feet
- Nashville's under construction pipeline remains robust with over 3 million square feet of total product currently underway

As Nashville gears up to welcome multiple new companies to the urban downtown environment, they themselves have begun to plant flags of temporary office space. One major tech firm has leased over 80,000 square feet at Suntrust Plaza, and AllianceBernstein has leased 51,000 square feet at One Nashville Place. As deliveries for new Class A product ramp up later this year, and large blocks of existing inventory continue to be gobbled up, we expect average urban rental rates to rise. All of this activity will have vacancy fluctuate up and down around 10 percent.

As of the fourth quarter of 2018, JLL reported that Nashville's under construction product, as a percentage of total inventory, is the largest in the country at 10 percent. Sitting behind is the San Francisco Peninsula at 8.5 percent. Major deliveries for the first quarter include Hall | Emery's 18<sup>th</sup> & Chet project at 130,000 square feet, and Green & Little's Belle Grand at 31,000 square feet. 2019 is expected to bring over 1.6 million square feet of total product deliveries.

## Outlook

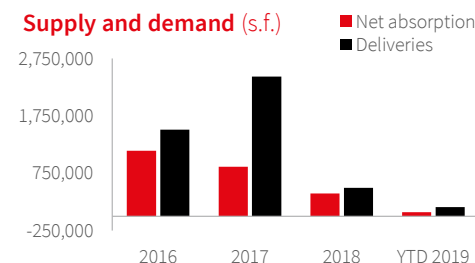
Three prominent downtown assets traded hands this quarter, most notably UBS Tower for \$135 million. That property last sold in 2013 for a mere \$14.5 million. Urban asking rents have climbed high in the last 5 years, and with every new owner comes a higher asking rent. 2<sup>nd</sup> generation Class A inventory downtown has been quoting no less than \$30 per square foot all in to start 2019, and new Class A inventory has been starting at \$39.50 per square foot on the low end and as high as \$49 per square foot on the high end. This type of activity with owners of new construction and owners of existing inventory is causing urban rents to continue rising despite a large speculative construction pipeline looming close to delivery later this year. We expect urban asking rents to continue to rise throughout 2019 and into 2020.

For more information, contact: Graham Gilreath | [graham.gilreath@am.jll.com](mailto:graham.gilreath@am.jll.com)

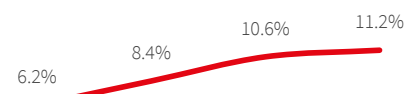
## Fundamentals

	Forecast
YTD net absorption	70,251 s.f. ▲
Under construction (new)	3,091,941 s.f. ▲
Total vacancy	11.2% ►
Average asking rent (gross)	\$33.08 s.f. ▲
Concessions	Rising ▲

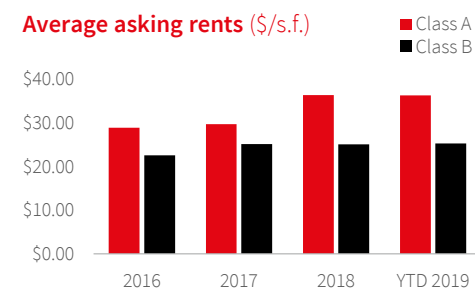
## Supply and demand (s.f.)



## Total vacancy



## Average asking rents (\$/s.f.)





JLL Research Report

Office Statistics

	Class	Inventory (s.f.)	Total net absorption (s.f.)	YTD total net absorption (s.f.)	YTD total net absorption (%) of stock	Direct vacancy (%)	Total vacancy (%)	Average direct asking rent (\$ p.s.f.)	YTD Completions (s.f.)	Under Development (s.f.)
Airport North	Totals	3,531,719	-53,294	-53,294	-1.5%	11.5%	12.5%	\$25.30	0	0
Airport South	Totals	4,195,868	117,398	117,398	2.8%	13.1%	13.1%	\$22.03	0	0
Brentwood	Totals	5,831,578	-65,034	-65,034	-1.1%	10.2%	11.9%	\$29.69	0	314,500
Cool Springs	Totals	6,494,765	-4,988	-4,988	-0.1%	13.0%	14.6%	\$31.31	0	632,000
Green Hills	Totals	1,421,204	13,404	13,404	0.9%	4.8%	5.6%	\$34.55	31,000	0
MetroCenter	Totals	1,662,538	-1,442	-1,442	-0.1%	7.0%	7.1%	\$27.14	0	80,000
Rivergate/Hendersonville	Totals	470,081	-6,569	-6,569	-1.4%	13.3%	14.6%	\$20.49	0	0
West	Totals	567,448	-9,585	-9,585	-1.7%	3.2%	5.1%	\$37.67	0	132,209
Suburban	Totals	24,175,201	-10,110	-10,110	0.0%	11.0%	12.1%	\$28.97	31,000	1,158,709
Downtown	Totals	9,224,339	-48,105	-48,105	-0.5%	7.7%	9.7%	\$37.36	0	1,419,711
Midtown	Totals	3,707,813	105,599	105,599	2.8%	7.4%	7.9%	\$40.68	130,000	725,730
Urban	Totals	12,932,152	57,494	57,494	0.4%	7.6%	9.2%	\$38.42	130,000	2,145,441
Nashville	Totals	37,199,953	70,251	70,251	0.2%	10.0%	11.2%	\$33.14	161,000	3,304,150
Airport North	A	1,880,606	15,762	15,762	0.8%	17.3%	17.3%	\$26.68	0	0
Airport South	A	533,846	25,000	25,000	4.7%	11.2%	11.2%	\$0.00	0	0
Brentwood	A	2,815,713	-11,640	-11,640	-0.4%	5.4%	6.6%	\$32.21	0	314,500
Cool Springs	A	5,411,825	2,740	2,740	0.1%	11.3%	13.1%	\$32.27	0	632,000
Green Hills	A	806,874	31,446	31,446	3.9%	5.2%	6.4%	\$35.60	31,000	0
MetroCenter	A	369,257	0	0	0.0%	0.0%	0.0%	\$28.98	0	80,000
Rivergate/Hendersonville	A	201,014	-3,413	-3,413	-1.7%	14.6%	17.7%	\$21.79	0	0
West	A	320,724	-13,224	-13,224	-4.1%	4.1%	7.6%	\$38.07	0	132,209
Suburban	A	12,339,859	46,671	46,671	0.4%	10.0%	11.3%	\$31.62	31,000	1,158,709
Downtown	A	5,318,168	-27,719	-27,719	-0.5%	5.2%	8.7%	\$40.03	0	1,419,711
Midtown	A	2,267,210	85,084	85,084	3.8%	9.5%	10.2%	\$41.38	130,000	725,730
Urban	A	7,585,378	57,365	57,365	0.8%	6.5%	9.1%	\$40.50	130,000	2,145,441
Nashville	A	20,017,837	126,903	126,903	0.6%	8.9%	10.7%	\$36.21	161,000	3,304,150
Airport North	B	1,551,113	-68,776	-68,776	-4.4%	5.1%	7.5%	\$19.06	0	0
Airport South	B	2,910,217	78,290	78,290	2.7%	14.6%	14.6%	\$22.79	0	0
Brentwood	B	2,379,788	-57,262	-57,262	-2.4%	11.6%	14.0%	\$27.75	0	0
Cool Springs	B	1,082,940	-7,728	-7,728	-0.7%	21.9%	21.9%	\$27.11	0	0
Green Hills	B	512,805	-13,807	-13,807	-2.7%	3.7%	4.0%	\$26.01	0	0
MetroCenter	B	857,231	-1,442	-1,442	-0.2%	13.6%	13.8%	\$22.55	0	0
Rivergate/Hendersonville	B	140,074	0	0	0.0%	5.2%	5.2%	\$18.50	0	0
West	B	150,000	4,071	4,071	2.7%	0.0%	0.0%	\$0.00	0	0
Suburban	B	9,584,168	-66,654	-66,654	-0.7%	12.1%	13.1%	\$24.83	0	0
Downtown	B	3,455,531	-20,386	-20,386	-0.6%	11.3%	11.4%	\$25.94	0	0
Midtown	B	1,070,552	-6,094	-6,094	-0.6%	4.8%	5.0%	\$28.54	0	0
Urban	B	4,526,083	-26,480	-26,480	-0.6%	9.8%	9.9%	\$26.23	0	0
Nashville	B	14,110,251	-93,134	-93,134	-0.7%	11.3%	12.1%	\$25.20	0	0
Airport North	C	100,000	-280	-280	-0.3%	1.0%	1.0%	\$0.00	0	0
Airport South	C	751,805	14,108	14,108	1.9%	8.5%	8.5%	\$17.34	0	0
Brentwood	C	636,077	3,868	3,868	0.6%	27.0%	27.6%	\$27.02	0	0
Green Hills	C	101,525	-4,235	-4,235	-4.2%	7.4%	7.4%	\$0.00	0	0
MetroCenter	C	436,050	0	0	0.0%	0.0%	0.0%	\$0.00	0	0
Rivergate/Hendersonville	C	128,993	-3,156	-3,156	-2.4%	19.9%	19.9%	\$19.26	0	0
West	C	96,724	-432	-432	-0.4%	4.9%	4.9%	\$24.75	0	0
Suburban	C	2,251,174	9,873	9,873	0.4%	12.2%	12.4%	\$23.88	0	0
Downtown	C	450,640	0	0	0.0%	9.4%	9.4%	\$25.51	0	0
Midtown	C	370,051	26,609	26,609	7.2%	1.8%	1.8%	\$25.65	0	0
Urban	C	820,691	26,609	26,609	3.2%	5.9%	5.9%	\$25.53	0	0
Nashville	C	3,071,865	36,482	36,482	1.2%	10.5%	10.7%	\$24.03	0	0

## EXHIBIT 26





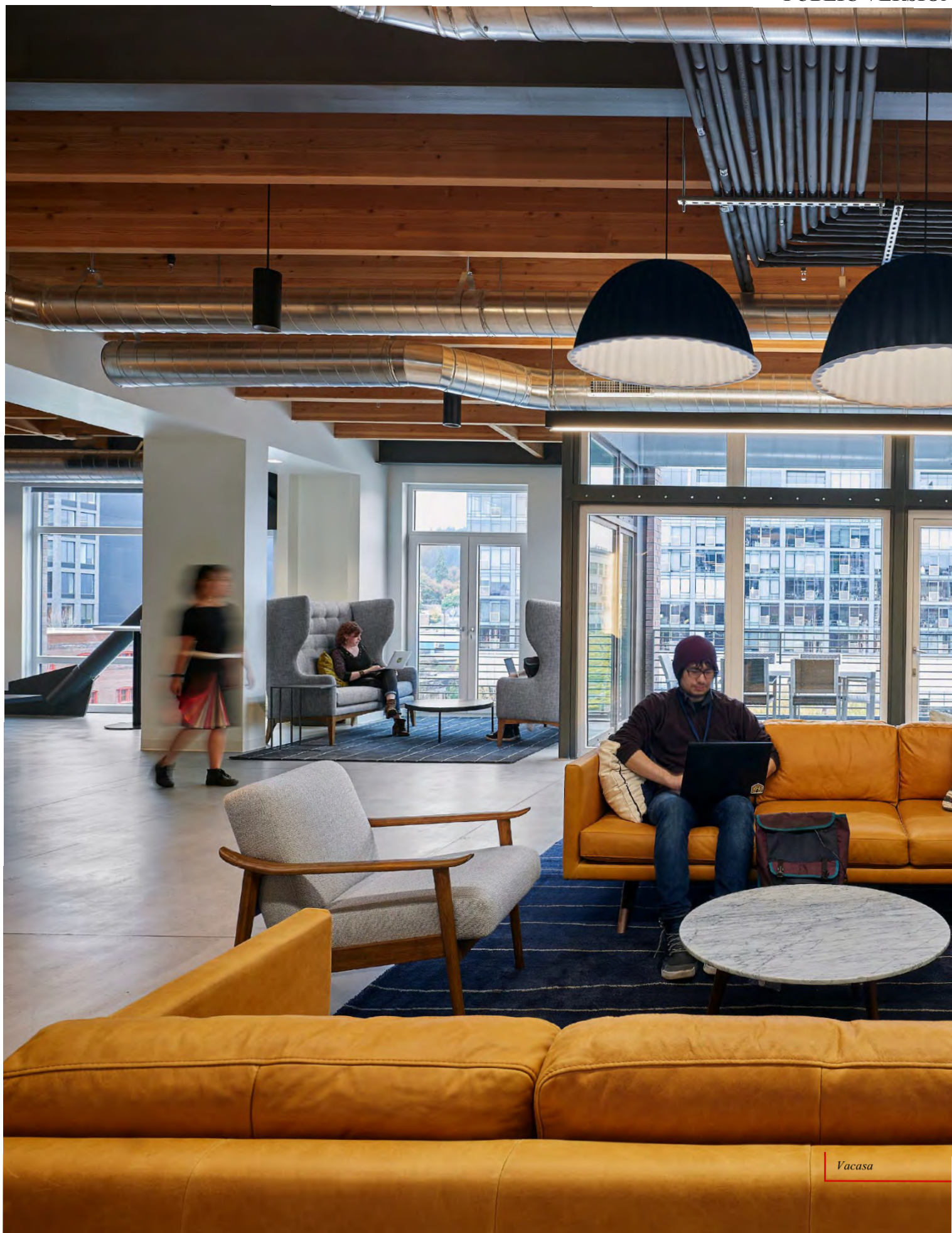
# U.S. and Canada Fit Out Guide

## *Office cost benchmarking report*

*JLL Project and Development Services*  
*U.S. and Canada | 2019*











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## About the guide

This is the third generation of JLL's U.S. and Canada Office Fit Out guide. It is the result of a powerful combination of JLL Project and Development Services (PDS) Business Intelligence and JLL Research. The guide is powered by data from more than 3,600 real-world office fit out projects.

We understand that occupiers are faced with complicated choices when deciding on the office that fits them best. To provide context for your real estate decisions, this guide includes a cost matrix representing different style and quality levels, an analysis of trends in tenant improvement allowances and an examination of how tenants use and plan their spaces.

It is important to note that this guide is not intended as a cost estimating tool and is based on the average fit out costs across a wide variety of projects managed by JLL PDS. Accordingly, the baseline project costs in this guide represents an average fit out that would be found in a Class A office building in each respective market.

### This guide is

a comprehensive data-driven tool that provides for comparison and transparency of fit out costs across U.S. and Canadian markets.

### This guide isn't

a cost estimating or cost-of-occupancy tool. Fit out costs can vary greatly based on the scope and requirements of the user. This guide provides a holistic picture of how various geography and fit out decisions can affect your bottom line.

### This real-time data was built off:

**3,600** Project budgets **across** **59** Local markets **and** **17** Industries **Over** **100** clients



## What

This is a reference guide that provides average fit out costs for three different office layout styles in the United States and Canada.



## How

These benchmark costs were developed using data from the real world budget of more than 3,600 JLL PDS-managed projects across the United States and Canada.



## Why

The goal of this guide is to enable office occupiers to make better and more informed real estate decisions by providing cost transparency across different office styles, build quality levels, and geographic markets.



## Guide Assumptions and Methodology

The following two pages contain important details on the assumptions and methodology behind how this guide was created. These details are provided to allow occupiers to use this data as accurately as possible, and to identify any areas where their particular use case may differ from the average assumptions used in this guide.

### Assumptions and Methodology at a Glance:

**1. All costs are sourced from the real world.**

This guide is based on the average costs of JLL-managed projects across the United States and Canada.

**2. All costs assume a full fit out from a warm lit shell condition.**

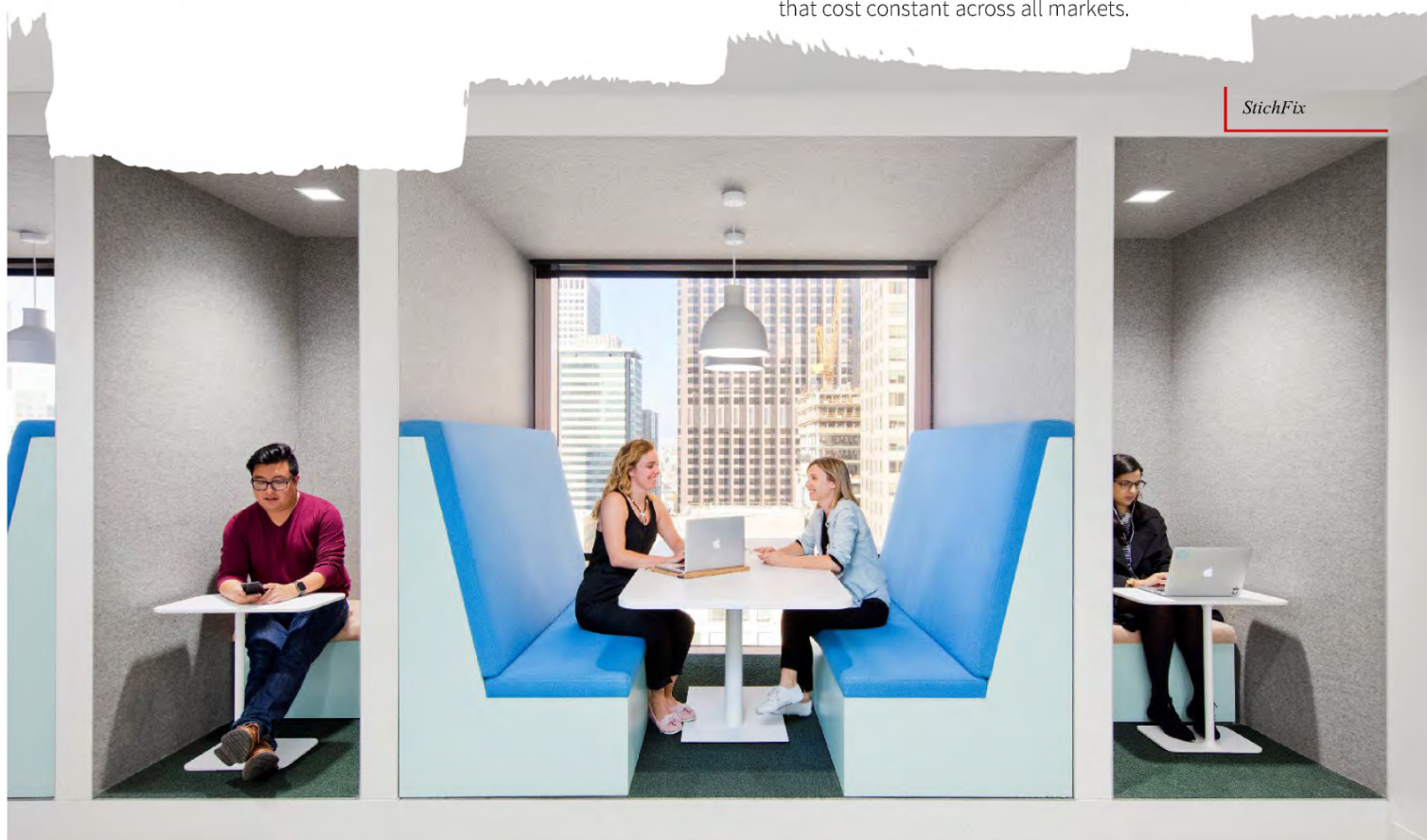
To standardize the costs included here, all figures represent the cost to fit out from a second-generation space in warm lit shell condition. Projects like minor space modifications, paint and carpet updates, most subleases and most spec suites will generally be less expensive than the costs in this guide.

**3. Even the high and low costs represent averages.**

For example, a “Base quality, Progressive style” space will be the lowest cost shown on the matrix, but it represents the average cost for that quality and style, not the lowest achievable number. The same goes for the highest number on the matrix — it is the average for high quality projects, not the absolute high end of the market.

**4. FF&E and tenant factor costs are level across markets.**

As a result of wide variance in these costs based on tenant needs, we selected a midpoint cost for these categories for each of the three levels of quality and complexity and kept that cost constant across all markets.



## Details on Guide Assumptions and Methodology

### What is a fit out?

An office fit out includes designing, constructing, and furnishing the physical workplace. Office fit outs can range widely in scope based on tenant needs and geography. For the purpose of this guide, we assume a baseline of a second-generation space that is provided by the landlord as a warm lit shell that is in a condition ready for tenant improvements. An office fit out can also be called a “fit up,” “build out” or “tenant improvement.”

### Fit out cost assumptions

The fit out costs for each market depict the average expenses of building a comparable office space across the country. To determine these totals, we compiled more than 3,600 projects managed by JLL PDS. While many aspects of an office fit out can affect the final budget — including materials selection, existing space conditions and layout design — these costs represent a midpoint scope and factor in:

- Hard costs
- Design + fees (soft costs)
  - Architecture, engineering, project management, consulting, and additional fees
- Furniture, fixtures, and equipment (FF&E)
- Tenant factors
  - Audio/video installation, security costs, IT and technology costs, and moving fees

### FF&E and tenant factor cost methodology

Due to the varying nature of tenant needs for FF&E and tenant factors (A/V, security, IT and moving), we determined midpoints from an analysis of the raw data, and selected different values for each of the three categories of space quality and complexity. Those same benchmark values are kept equal across all cities and office styles. For example, all cost estimates for Medium quality and complexity will have the same FF&E and tenant factor costs, regardless of geography and office style. If you know your standard FF&E and tenant factor costs, we encourage you to use the data found in the Appendix and substitute your specific costs to create a more precise number.

### Class A buildings

The average fit out in this guide is represented by a “Medium quality” and “Moderate style” fit out as described in the Fit Out Cost Matrix on page 10. This average fit out is intended to represent the typical fit out found in a typical Class A office building. We define a Class A building as an above average building in a given market, with excellent finishes, building services, building systems and location. Rents for a Class A building are usually in the top third of the overall market, although this figure can vary by market.

### Currencies

All values in this guide are shown in their local currencies on a per-square-foot basis unless otherwise noted. For example, costs in U.S. cities are shown in USD/square foot, while costs in Canadian cities are shown in CAD/square foot. This is to allow for ease of use in Canadian cities. The Bank of Canada’s 2018 average exchange rate of \$1.00 USD to \$1.2957 CAD was used for all conversions.

### A note on Canadian cities

Individual cost profiles of four major Canadian cities are included in this guide. Details on costs in these cities can be found (shown in CAD) in the appendix. For clarity and to avoid inaccuracies due to changes in the exchange rate, cost figures from Canadian cities were excluded from the averages found in the guide.

### Union and non-union labor

The costs in this guide are not union or non-union specific. Instead, the costs represent the average cost of construction in each given market. If union labor is more common in one particular city, the resulting cost increase is included in the market cost numbers published in this guide. In other words, the project mix that was used to create the averages in this guide is reflective of the typical union vs. non-union labor mix found in each market.

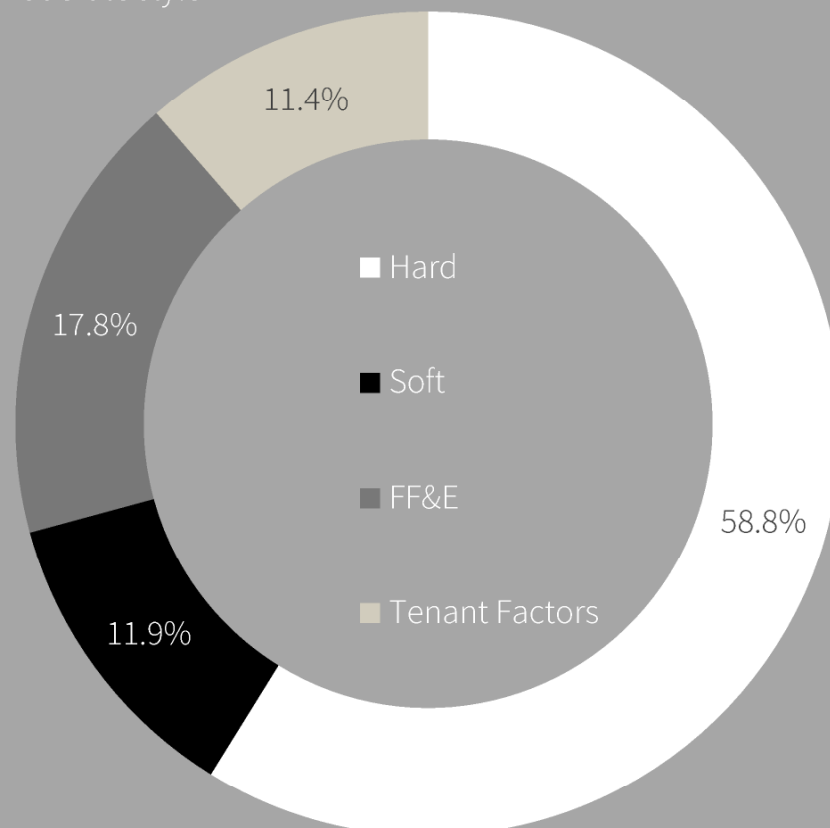
# What's Changing in 2019?

## Our outlook

The average cost of an office fit out increased by 12 percent in 2018, fueled by a combination of strong demand for new space and increased prices for labor and materials. Tenant improvement allowances also jumped in 2018, but not by enough to fully offset cost growth, resulting in an increase of net out-of-pocket costs to tenants. We expect costs to continue rising in 2019, although at a more moderate pace than over the past year. A shortage of qualified construction labor will be among the most significant hurdles for completing a project on time and on budget. Material costs should be a bright spot in 2019, as prices are expected to remain close to current levels.

With costs rising so quickly, it is more important than ever for tenants to be knowledgeable and to focus on creating the most efficient space to meet their needs. Efficiency does not just mean density, although that is one important piece. Efficiency also means selecting the right office style and finish level so that a space can support an organization for years to come. This guide aims to help users meet that challenge, all while providing the real-world cost data to tie the concepts back to reality.

Budget breakdown for an average office fit out  
medium quality, moderate style



Source: JLL Project and Development Services Business Intelligence



## Impact of tenant improvement allowances

### What is a tenant improvement allowance?

Tenant improvement allowances are provided by landlords to defray the out-of-pocket cost that tenants pay for a fit out, and are negotiated as a part of the lease. They can vary widely based on market and the leasing economics of any particular space. For example, a city with large amounts of new office supply entering the market will often experience increases in tenant improvement allowances, both in the new buildings themselves, and the older properties that need to be backfilled as tenants move to new construction.

### Three key trends for tenant improvement allowances :

1. **Tenant improvement allowances increased steadily in 2018.** Average tenant improvement allowances increased 13 percent in 2018 in the United States.
2. **But TI allowances are not keeping up with construction cost growth.** Of the total construction cost increase in 2018, 60 percent was offset by increases in tenant improvement allowances, and the remaining 40 percent was passed on to tenants.
3. **TI allowances will keep pushing higher in 2019.** Concessions will continue to increase in most markets in 2019, as new supply will remain high. 2019 will be the fourth year in a row with more than 50 million square feet of new office completions nationally.

## Adaptability is the long-term answer

As of only a few years ago, most tenants leased a space for 7 to 10 years, without updating it for the whole term of the lease. Fast forward to today, and many tenants want to update their space every year or two. Trends common in other industries like consumer electronics and fashion, where consumers consider products expendable and want new versions rapidly, are starting to seep into construction and fit outs. With fit out costs continuing to rise, this trend becomes more of a challenge for occupiers because expensive capital outlays are being spread across fewer years of use. As business strategies emphasize iterative releases and constant development as the best model for success, some occupiers and employees now expect it in their spaces as well.

To meet these requirements from the end user, while still getting a good return from the major investment of a new fit out, office spaces today need to be built with flexibility and adaptability in mind. This adaptability can come in many forms, from layouts that require limited modifications to increase density, to rooms that are easily converted as space needs change. One primary goal of every new fit out should be maintaining the ability to change and upgrade within the existing space envelope for years to come, rather than needing to move to an entirely new space. In doing so, a space can better meet both the physical and financial needs of an organization over the long term.



# JLL's Office Fit Out *matrix*

# 2019

## Office Fit Out Matrix

### Space quality and complexity

		Space quality and complexity		
		Base	Medium	High
		Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office style	<b>Progressive</b> Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	<b>\$147</b> p.s.f.	<b>\$170</b> p.s.f.	<b>\$193</b> p.s.f.
	<b>Moderate</b> Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	<b>\$156</b> p.s.f.	<b>\$182</b> p.s.f.	<b>\$207</b> p.s.f.
	<b>Traditional</b> Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	<b>\$167</b> p.s.f.	<b>\$196</b> p.s.f.	<b>\$224</b> p.s.f.

## Which space *style* is best for you?

Using the table below, you can begin to understand the ins and outs of each office style, and work towards choosing a model that works best for you and your real estate goals. Once you feel confident in an office style that fits your requirements, turn to the associated section in this guide to learn more about the dynamics of your chosen style and how fit out costs vary across the United States and Canada.

	Progressive	Moderate	Traditional
Average Cost p.s.f.	\$170/r.s.f.	\$182/r.s.f.	\$196/r.s.f.
Average savings	13.1% savings over Traditional 6% savings over Moderate	7.2% savings over Traditional	Most expensive
Example tenants	Tech companies, startups, progressive corporate offices	Standard office users, corporate offices transitioning to efficient office models	Law firms, traditional financial companies, privacy-focused office spaces
Cost considerations	Significant savings on construction costs due to lack of private offices is nearly outweighed by minimal furniture savings and a substantial increase in tech expenses	Fewer private offices reduces construction and furniture costs. Tech expenses are modestly higher due to increased density	High ratio of private offices and significant office furniture expenses boosts project costs
% Change in Density	+20-25% over Moderate	+20-25% over Traditional	0.0%
Conference and Open Collaborative Spaces (based on sample 30,000 s.f. floorplan)	8 additional conference rooms and 2 additional open collaborative spaces (over Moderate)	12 additional conference rooms and 4 additional open collaborative spaces (over Traditional)	8 conference rooms 1 open collaborative space
Detailed cost analysis of style	<a href="#">Page 15</a>	<a href="#">Page 16</a>	<a href="#">Page 17</a>



## How do office styles differ?

When planning a new office fit out, the first step toward determining the cost is deciding on the style and density. Occupiers should consider the impact each style will have on employees and organizational workstyles, in addition to focusing on cost. The following pages provide an overview of the three different types of office style that are benchmarked in this guide, along with the benefits and drawbacks of each style, to help you determine the best match for your organization.

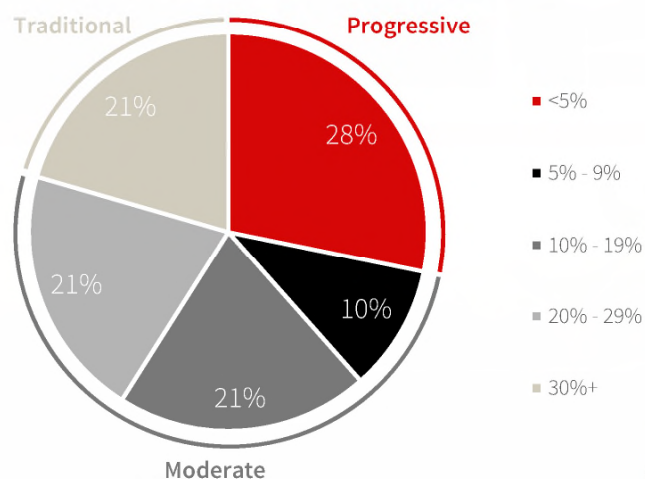
### Three Big Decisions to Determine Office Style

All data is based on a recent survey of corporate occupiers in the United States conducted by JLL.

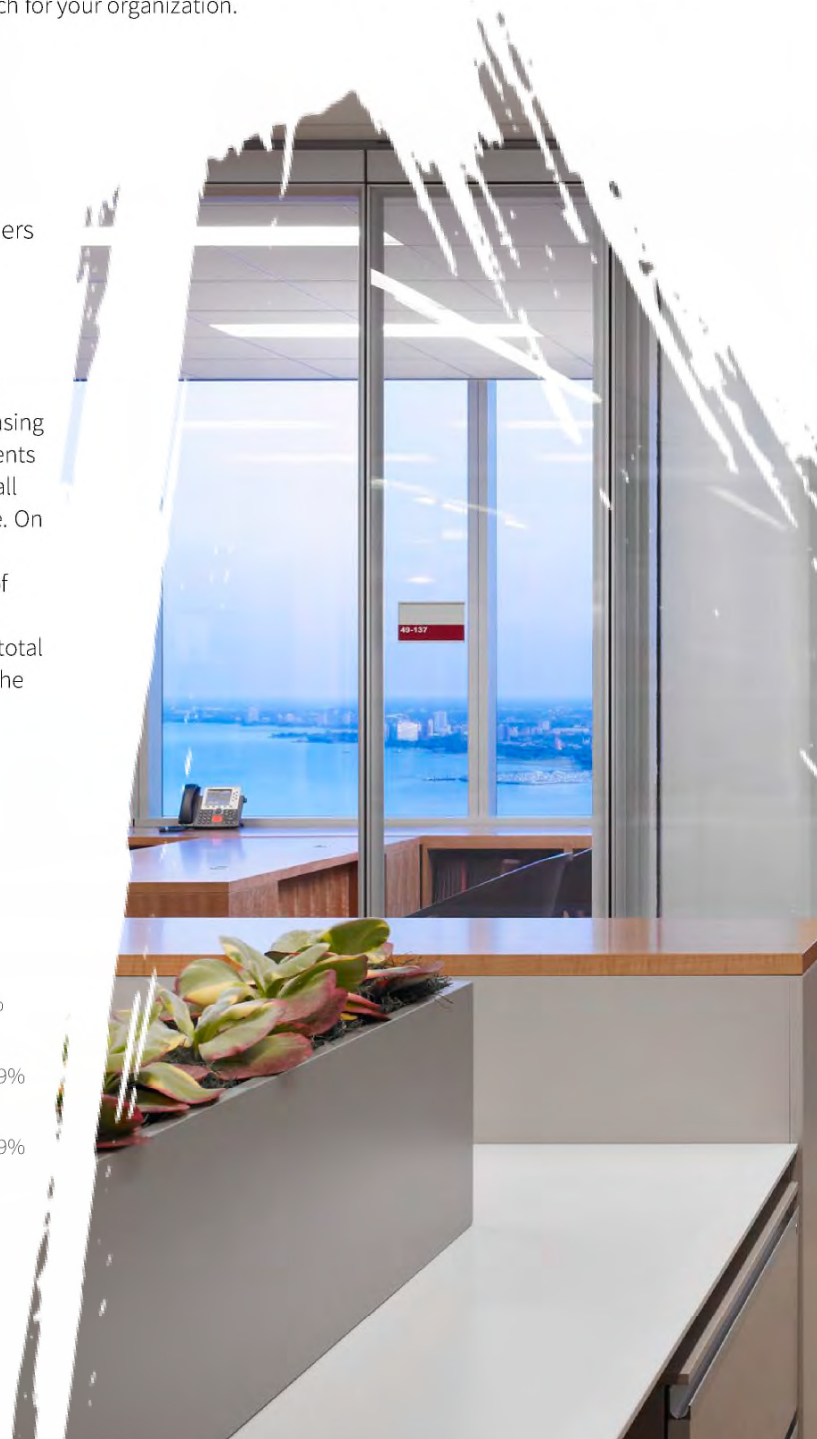
#### 1. How many private offices do you need?

The ratio of private offices is one of the primary differences between Progressive, Moderate, and Traditional styles. It will have a major impact on the feel of an office, as well as decreasing density and increasing hard costs. Over a quarter of respondents reported that offices make up less than 5 percent of the overall seat count, squarely in the range for a Progressive style space. On the other hand, 21 percent of respondents reported an unmistakably Traditional style where more than 30 percent of seats were private offices. That leaves a middle ground of 52 percent where offices made up between 5 and 30 percent of total seats. Most of those spaces would qualify as Moderate, with the far high and low ends leaning more toward Progressive or Traditional styles.

#### Private offices as share of total office seats



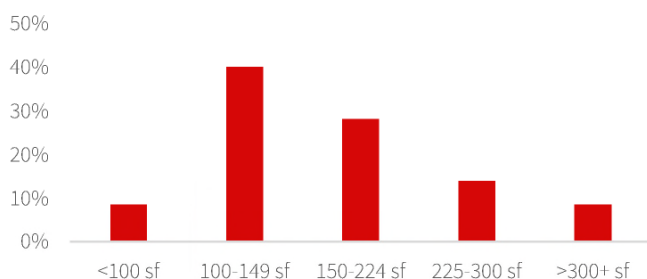
Source: JLL Research



## 2. How big are the private offices?

By a wide margin, the most common office size reported in the survey was between 100 and 149 square feet. While it is common for occupiers who are designing a new space to reduce the number of offices larger than 225 square feet, offices under 100 square feet remain rare. Some industries, especially those where partnership structures are common, are more likely to continue to build a variety of large office sizes.

### Standard size of private offices



Source: JLL Research

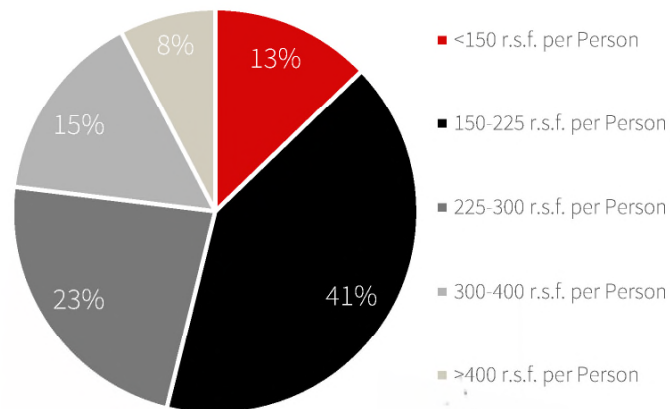
## 3. Do you have a mobility program?

Another factor to consider is whether an occupier currently has, or plans to develop, an office mobility program. A mobility program is when a subset of employees does not have a dedicated workspace, and a portion of the office is dedicated as “free address” to be used by that group of employees on a first-come, first-served basis. In 2018, 19 percent of occupiers reported having some kind of mobility program, and that rate has risen over the past few years. An effective mobility program leads to an increase space utilization rate, as fewer seats sit empty on any given day, which can reduce an occupier’s overall square footage requirements.

### Average overall office density

Overall density represents the complete square footage of a leased space (including collaboration areas, meetings rooms, support areas, offices and workstations) divided by the total seating capacity. The most common density is between 150 and 225 square feet per seat.

### Overall office density per seat



Source: JLL Research





# Fit out costs by *office style*



NCR

# Progressive office style

As the name suggests, the Progressive style office is the most progressive and leading-edge office space featured in our guide. The Progressive style is an open-office floor plan, with 100 percent of the desk space outfitted as bench-style furniture and zero enclosed offices. Design also heavily favors collaborative multi-use spaces and common areas, including numerous varieties of both collaboration and conference spaces. In a Progressive style space, tenants can expect to gain higher employee collaboration and efficiencies in both space and equipment use. However, tenants should also be prepared to dedicate time pre-construction to effectively design and lay out the space, and to educate employees about changes that come with a new open-office dynamic.

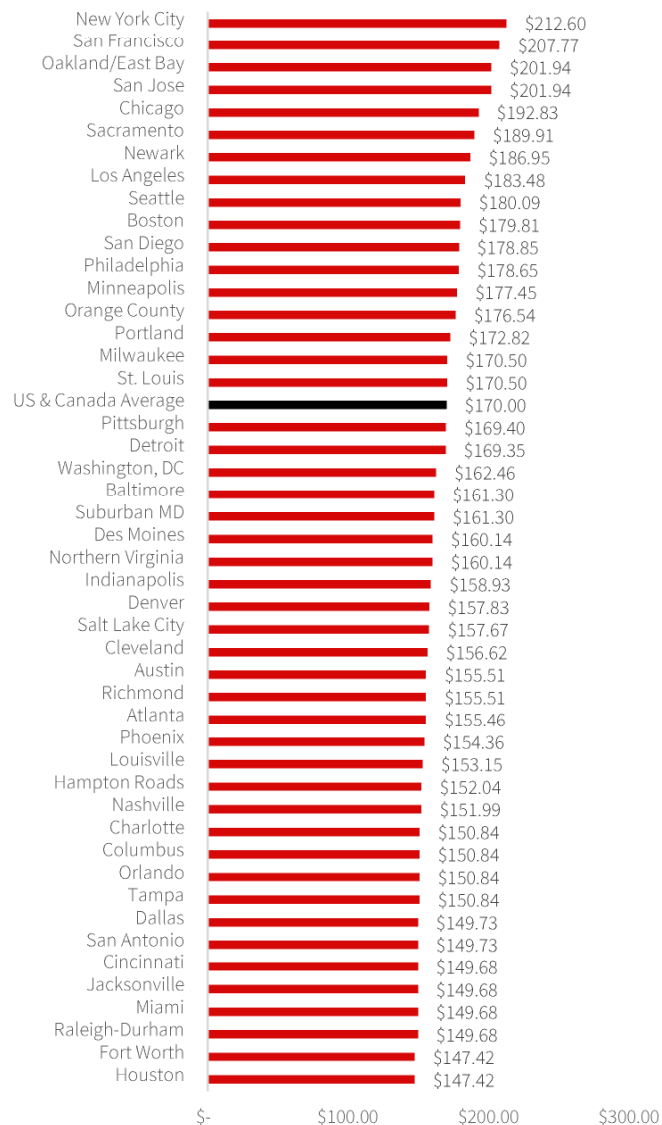
## Key space considerations:

- Significantly increased density over all other office styles, ranging from 20 to 50 percent more employees than Traditional and Moderate Styles
- 100 percent bench-style desks with zero private offices creates space for more than double the amount of conference and collaboration spaces
- The standard work dynamic is a significant shift from Traditional style offices, with focus placed on activity-based working, encouraging employees to select the best workspace for the task at hand
- Standard plan includes 28 conference rooms of varying sizes and seven open collaborative and multiuse spaces

## Key cost considerations:

- The national average fit out cost for Progressive style offices is \$170 per square foot
- On average, Progressive style fit outs were the least expensive of all fit out styles, 6.4 percent less expensive than Moderate style offices and 13.1 percent less costly than Traditional style offices
- Project budgets tend to be lighter on hard costs due to minimal dividing walls and enclosed private offices, and savings from shorter project timelines
- Spaces also have higher technology spends due to additional tech requirements and usage (e.g. video conferencing, connected collaboration spaces, heavier usage of equipment)
- Progressive spaces save on traditional FF&E spending as there is no need to equip costly private offices, but increased spending on collaboration spaces (under Tenant Factors line item) tends to offset some of that cost savings

## Progressive style costs by market



## Progressive style costs by region



Source: JLL Project and Development Services Business Intelligence

# Moderate office style

The Moderate style office is a balance between an open-office work environment and dedicated private office spaces. Moderate style offices tend to have agile floorplans with 10 percent of the total square footage allotted to enclosed offices and the remaining 90 percent dedicated to an open floor plan with 6-by-6-foot workstations and minimal benching and guest space. Space design also includes a healthy mix of conference rooms and one to two dedicated collaboration and multi-use spaces. In a Moderate style office, tenants can expect to gain a blend of benefits that come with both Progressive and Traditional spaces.

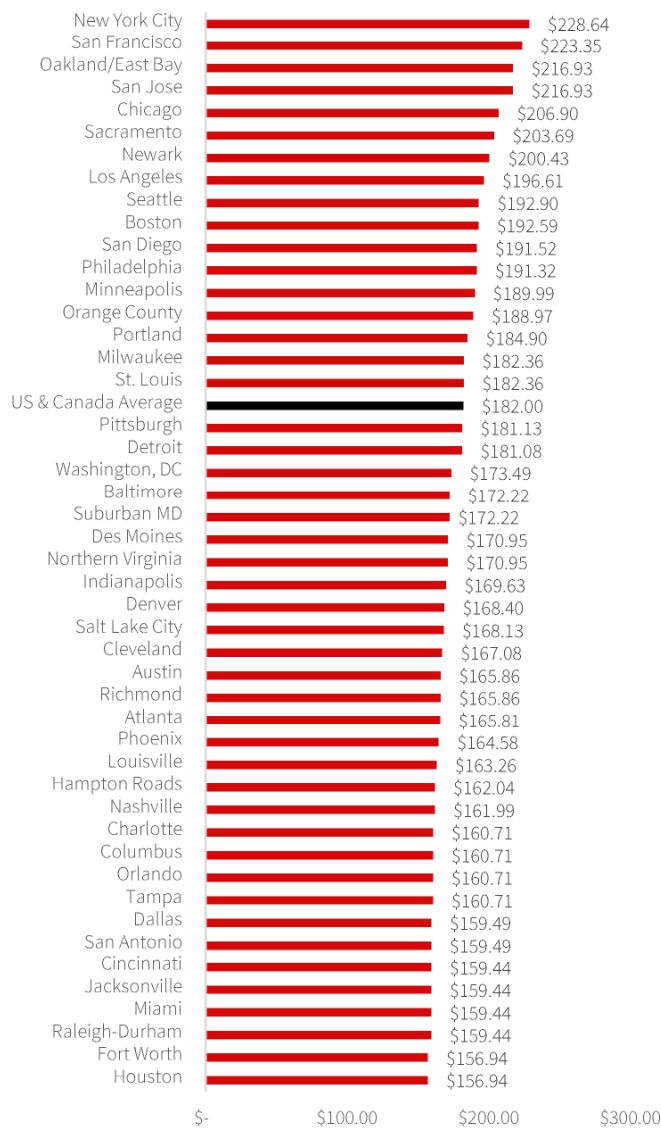
## Key space considerations:

- Modest employee density when compared to other office styles — 20 to 25 percent more dense than Traditional spaces, and 20 to 25 percent less dense than Progressive Spaces
- A mix of efficient-sized workstations and limited private offices create a balance of both Traditional office dynamics and Progressive office efficiencies, and collaborative workspaces
- Successful Moderate style office layouts can leverage the benefits of activity-based working, efficient floor plates and office privacy to varying degrees
- Standard plan includes 20 conference rooms of varying sizes and five open collaborative and multi-use spaces

## Key cost considerations:

- The national average fit out cost for Moderate style offices is \$182 per square foot
- Moderate style offices cost 7.2 percent less than Traditional offices but 6.8 percent more than Progressive
- Project budgets tend to be comparatively average on hard costs due to moderate use of dividing walls and enclosed private offices, but benefiting from savings on open floor plan space
- FF&E costs tend to be weighted towards equipping private offices and 6-by-6-foot workstations. Cost efficiencies can be captured by integrating a higher percentage of bench-style desks
- Moderate style budget is useful as a benchmark if an organization has not determined their final office style and design plans yet

## Moderate style costs by market



## Moderate style costs by region



Source: JLL Project and Development Services Business Intelligence



# Traditional office style

The Traditional style office has the highest private office density out of all three styles, with 30 percent of the floor space dedicated to enclosed offices and the remaining 70 percent being an open floor plan built out with 8-by-8-foot workspaces with high partitions. Space design also includes several conference rooms and minimal collaboration spaces and multi-use spaces (one to two per floor). In a Traditional style space, tenants will preserve employee privacy but miss out on increased collaboration and efficiency opportunities.

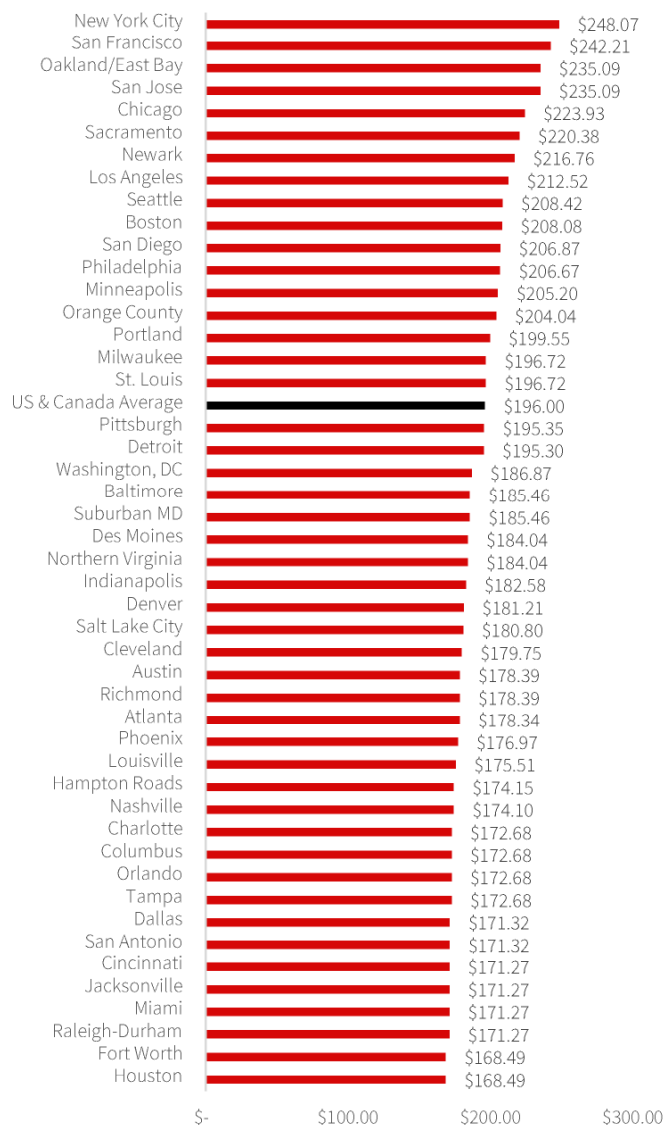
## Key space considerations:

- Lowest employee density of all other office styles, ranging from 20 to 50 percent fewer employees than Moderate and Progressive Styles
- Higher volume of private offices (three times more than Moderate Style spaces) and larger 8-by-8-foot workstations tend to limit the amount of interoffice interaction opportunities, promoting privacy over collaboration
- The introduction of more efficient low-partition 6-by-6-foot workstations or benching workspaces can begin to increase density and quality of office dynamics if properly designed
- Standard plan includes eight conference rooms of varying sizes and one open collaborative and multi-use space

## Key cost considerations:

- The national average fit out cost for Traditional style offices is \$196 per square foot
- Traditional style offices tend to be more expensive than other styles, with the average project costing 7.8 percent more than a Moderate office and 15.1 percent more than a Progressive office
- These project budgets tend to have the highest hard costs per square foot compared to other styles due to increased use of materials for dividing walls and enclosed private offices
- FF&E costs in Traditional style budgets are also the highest of all three categories, with a significant uptick in spending driven by costly private office furniture and large high walled workstations
- Tenant factors are often lower in Traditional style offices due to a lessened need for common area and multi-use space furniture, as well as smaller and less intense technology spend

## Traditional style costs by market



## Traditional style costs by region



Source: JLL Project and Development Services Business Intelligence

# Local market *spotlights*



# Atlanta



## Strong office fundamentals spur new spec office development as demand continues

# 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$124 p.s.f.	\$155 p.s.f.	\$189 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$132 p.s.f.	\$165 p.s.f.	\$201 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$142 p.s.f.	\$178 p.s.f.	\$217 p.s.f.

### Average market tenant improvement allowance

**\$60 p.s.f.**  
10-year term

### Office vacancy

**14.8%**  
Class A CBD Office

### New office pipeline

**3.4 m.s.f.**  
Under development in metro

### Average asking rent

**\$35 p.s.f.**  
Class A CBD Office

### The workplace story

Spurred by the success of adaptive reuse projects such as Ponce City Market, developers and landlords are looking to provide more creative office options. The inventory of creative office has more than doubled since 2014. The desire for more collaborative

and unique spaces has pushed asking rents comparable to trophy office assets as occupiers are willing to pay more to attract and retain talent.

### State of the office market

With rising construction costs but steady demand, it is uncertain when Atlanta's development pipeline will slow. However, the past year has shown through strong market fundamentals and continued population growth that Atlanta is still accelerating. This

demand has pushed Urban Class A rents to \$34.89 to close 2018, a 15 percent increase in the past 18 months.



# Boston



The pace of workplace evolution gains steam, driven by historic influx of tech and life sciences firms

## 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$143 p.s.f.	\$180 p.s.f.	\$218 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$154 p.s.f.	\$193 p.s.f.	\$234 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$166 p.s.f.	\$208 p.s.f.	\$252 p.s.f.

**Average market tenant improvement allowance**

**\$80 p.s.f.**

10-year term

**Office vacancy**

**7.9%**

Class A CBD Office

**New office pipeline**

**3.1 m.s.f.**

Under development in metro

**Average asking rent**

**\$67 p.s.f.**

Class A CBD Office

#### The workplace story

Boston has emerged as one of the world's leading tech hubs, growing by more than 500 tech firms in five years. Across the river in Cambridge lies the country's largest biotech center. These companies, driven by innovation and propelled by young talent

have transformed the typical worker, firm and workplace. In are light-filled collaborative spaces to support small teams, on the way out are large offices and inefficient floor plans.

#### State of the office market

A robust economy fueled by this century's leading sectors have driven Boston to new heights. Class A rents jumped by 8 percent in the second half of 2018 alone. With little development relief in the short term and an aging stock, landlords face increasing TI

demands from occupiers. Class B brick and beam has cooled in recent quarters but remains a high performing subset, absorbing tech and media clients at a rapid clip.

# Chicago



## Chicago downtown office leasing continues to keep pace with new development

# 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$154 p.s.f.	\$193 p.s.f.	\$234 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$165 p.s.f.	\$207 p.s.f.	\$251 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$179 p.s.f.	\$224 p.s.f.	\$271 p.s.f.

### Average market tenant improvement allowance

\$75 p.s.f.

10-year term

### Office vacancy

10.4%

Class A CBD Office

### New office pipeline

9.27 m.s.f.

Under development in metro

### Average asking rent

\$48 p.s.f.

Class A CBD Office

### The workplace story

Chicago remains one of the strongest law firm and financial services markets in the nation. Areas such as Fulton Market, which were primarily industrial a decade ago, have quickly become home to tech titans and Fortune 500 headquarters. The expanding core is experiencing significant rent growth and tenant

demand remains strong. Chicago has tremendous access to young talent, is affordable relative to coastal cities, and has a pipeline of outstanding buildings under development. For these reasons, Chicago continues to be a major draw for a diverse set of industries looking for their next HQ or key regional office.

### State of the office market

Chicago CBD experienced record leasing numbers in 2018 paired with 13 straight quarters of net positive absorption, an impressive feat given the influx of supply in 2018 – all of which is now occupied. Though it will be difficult to match the leasing

volume Chicago experienced in 2018, 47 percent of the space entering the market is already preleased, hinting at a healthy leasing market.



# Los Angeles



New media drives unprecedented amount of leasing

## 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$146 p.s.f.	\$183 p.s.f.	\$223 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$157 p.s.f.	\$197 p.s.f.	\$238 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$170 p.s.f.	\$213 p.s.f.	\$257 p.s.f.

Average market tenant improvement allowance

\$80 p.s.f.

10-year term

Office vacancy

17.1%

Class A CBD Office

New office pipeline

2.5m.s.f.

Under development in metro

Average asking rent

\$44 p.s.f.

Class A CBD Office

#### The workplace story

Creative space continues to be in high demand matching the growth partners of the regional entertainment and the tech industry clusters. Financial services companies and banks concentrated in the CBD and suburban L.A. markets continue to typically seek more traditional

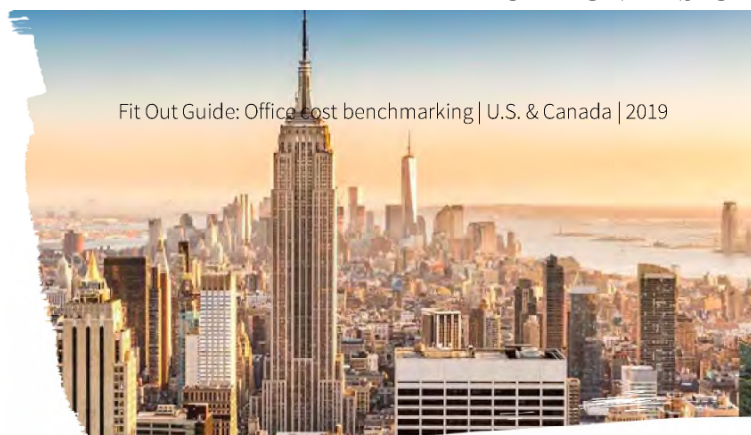
corporate build-outs. Coworking has taken Los Angeles by storm growing its foot print from 1.1 million in 2014 to 4.3 million square feet at the end of 2018, highlighting the extensive demand for flexible leases and workplaces with plentiful amenities.

#### State of the office market

Entertainment and new media were strong drivers of demand in 2018. In Hollywood, Netflix continued their leasing spree by inking a lease for the entirety of the Academy on Vine complex. The Hackman Capital Project at Culver Studios is also fully leased and will be occupied by another

large technology company's new media division upon its completion in early 2021. New media content budgets are forecasted to double over the next five years, eclipsing the 8 billion spent by Netflix alone in 2018. This will lead additional space demand.

# New York



Tightened labor markets influencing demand for efficient and dynamic office environments

## 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$170 p.s.f.	\$213 p.s.f.	\$274 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$183 p.s.f.	\$229 p.s.f.	\$294 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$198 p.s.f.	\$248 p.s.f.	\$320 p.s.f.

**Average market tenant improvement allowance**

**\$90 p.s.f.**

10-year term

**Office vacancy**

**7.2%**

Class A CBD Office

**New office pipeline**

**20.8 m.s.f.**

Under development in metro

**Average asking rent**

**\$82 p.s.f.**

Class A CBD Office

#### The workplace story

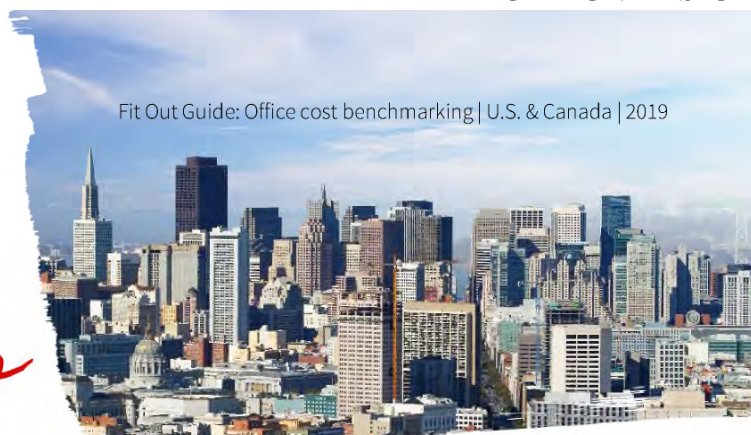
Occupiers have been increasingly leaning forward to greater efficiency in their space, which can be found in higher-quality and new-construction buildings. Recent demand for such product has boosted the performance of Class A and newer buildings throughout Manhattan.

#### State of the office market

Current vacancy in the Manhattan office market is at a cyclical low at only 7.2 percent overall. Strong leasing activity and positive absorption has led to a period of constricted supply. New deliveries in Hudson Yards/ Manhattan West and prospective developments

capitalizing on the Midtown East rezoning can possibly alleviate this supply and demand imbalance.

# San Francisco



Fierce competition for large blocks of space pushes market rents to new highs

		Space Quality & Complexity			<b>Average market tenant improvement allowance</b> <b>\$80 p.s.f.</b> 10-year term  <b>Office vacancy</b> <b>6.6%</b> Class A CBD Office  <b>New office pipeline</b> <b>4.0 m.s.f.</b> Under development in metro  <b>Average asking rent</b> <b>\$85 p.s.f.</b> Class A CBD Office
		Low	Medium	High	
		Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.	
Office Style	<b>2019</b> <b>Office Fit Out Costs</b>				
	<b>Progressive</b> Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	<b>\$166</b> p.s.f.	<b>\$208</b> p.s.f.	<b>\$252</b> p.s.f.	
	<b>Moderate</b> Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	<b>\$178</b> p.s.f.	<b>\$223</b> p.s.f.	<b>\$251</b> p.s.f.	
	<b>Traditional</b> Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	<b>\$179</b> p.s.f.	<b>\$224</b> p.s.f.	<b>\$271</b> p.s.f.	

## The workplace story

San Francisco is one of the most robust technology markets in the country and boasts one of the highest concentrations of tech employees in the nation. The access to talent and resources, including venture capital funding, is a major draw for companies

looking to be proximate to the center of technology innovation. Talent is king in the marketplace and companies are making real estate decisions based on attracting and retaining top talent.

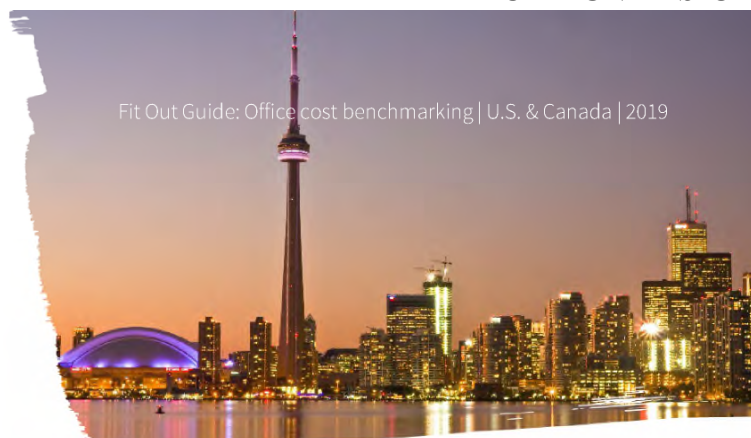
## State of the office market

The city faces a severe supply and demand imbalance, with limited availabilities greater than 100,000 square feet and 4 to 5 times the number of tenants looking to take down those spaces. This has put significant upward pressure on rents, which are up 9 percent year

over year. With a restricted development pipeline due to Prop M, there is little relief in sight in the near future and fundamentals are expected to tighten as a result.



# Toronto



Bevy of new construction announcements push construction to new heights in this cycle

## 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$123 p.s.f.	\$154 p.s.f.	\$186 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$127 p.s.f.	\$160 p.s.f.	\$194 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$151 p.s.f.	\$189 p.s.f.	\$229 p.s.f.

**Average market tenant improvement allowance**

**\$20 p.s.f.**  
10-year term

**Office vacancy**

**2.4%**  
Class A CBD Office

**New office pipeline**

**10.5 m.s.f.**  
Under development in metro

**Average asking rent**

**\$62 p.s.f.**  
Class A CBD Office

#### The workplace story

As TAMI tenants grow exponentially into the CBD, the war for talent between TAMI and traditional occupiers like the FIRE industry is heating up. What does that mean? It means that office space is being seen less as a cost function, and more as an

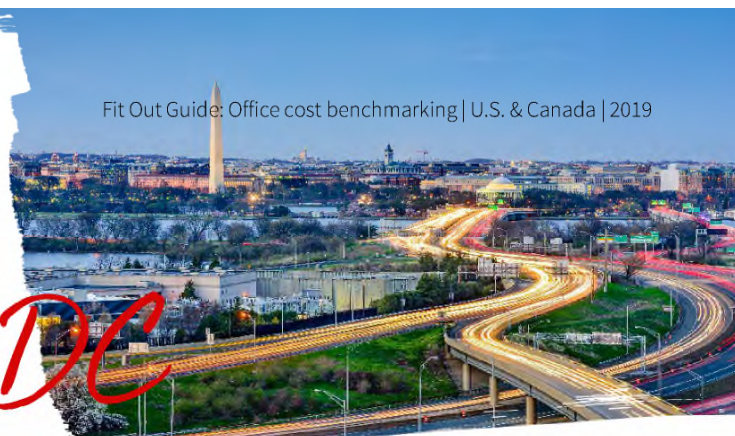
investment in the attraction and retention of talent. It means more open-air spaces, more amenities, and better accessibility across the offices of different industries.

#### State of the office market

After a record year in 2017 in terms of absorption and rent growth, vacancy continues to compress and rents continue to rise in 2018, with no end in sight to demand as tenants invest in their CBD presence. In turn, the market is undergoing its largest

development cycle since the 1990s but nearly 60 percent is already spoken for. With construction costs on the rise as well, expect the landlord's market to persevere through this current cycle.

# Washington, DC



Rising construction costs and a highly tenant-favorable market have driven a 26% increase in improvement allowances

## 2019

### Office Fit Out Costs

		Space Quality & Complexity		
		Low Designed on a low cost and simple budget, with finishes focused on function. Space contains basic technology and aesthetic design.	Medium Increased project complexity, taking into account upgraded lighting, cabling and design features. Average quality materials and details.	High Complex project design with emphasis placed on top-quality finishes and space improvements. Increased effort spent on aesthetics and detail design.
Office Style	Progressive Open-office floor plan with 100 percent bench-style seating and no enclosed offices. Design also includes numerous varieties of both collaboration and conference spaces.	\$129 p.s.f.	\$162 p.s.f.	\$197 p.s.f.
	Moderate Agile floor plan with 10 percent enclosed offices and 90 percent open floor plan with 6-by-6-foot workspaces and minimal benching for visitors. Design also includes a mix of conference rooms and two to four dedicated collaboration spaces.	\$138 p.s.f.	\$173 p.s.f.	\$211 p.s.f.
	Traditional Private office heavy floor plan with 30 percent enclosed offices and 70 percent open floor plan with large 8-by-8-foot workspaces and no bench space. Design also includes several conference rooms and one dedicated collaboration space.	\$149 p.s.f.	\$187 p.s.f.	\$227 p.s.f.

**Average market tenant improvement allowance**

**\$125 p.s.f.**

10-year term

**Office vacancy**

**13.8%**

Class A CBD Office

**New office pipeline**

**5.2 m.s.f.**

Under development in metro

**Average asking rent**

**\$71 p.s.f.**

Class A CBD Office

#### The workplace story

The traditional DC demand drivers of law firms, associations and nonprofits remain focused on reducing their footprints with law firms targeting as low as 600 square feet per attorney and associations and nonprofits targeting as low as 175 square feet per employee. Construction costs to build out office space have

significantly increased. However, with a supply demand imbalance due to the delivery of vacant office space, landlords continue to offer generous improvement allowances that offset the majority of out-of-pocket build-out costs for most firms outside of law firms who spend more on their build-outs

#### State of the office market

Leverage in DC remains strongly in tenants' favor as Class A vacancy is slated to rise beyond 15 percent over the next 24 months due to the delivery of 4 million square feet in 2019 coupled with limited near-term lease expiration-driven activity and/or growth among

large users outside of coworking providers. As Class A space options more than 20,000 square feet have increased 16 percent over the past two years, tenant improvement allowances have increased by 26 percent.



## Appendix *data*

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Hyatt



Market	Base Space Quality & Complexity					Medium Space Quality & Complexity					High Space Quality & Complexity				
	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total
Atlanta	\$68.47	\$13.91	\$26.00	\$15.50	<b>\$123.87</b>	\$85.58	\$17.38	\$32.00	\$20.50	<b>\$155.46</b>	\$102.70	\$20.86	\$40.00	\$25.50	<b>\$189.06</b>
Austin	\$68.47	\$13.91	\$26.00	\$15.55	<b>\$123.92</b>	\$85.58	\$17.38	\$32.00	\$20.55	<b>\$155.51</b>	\$102.70	\$20.86	\$40.00	\$25.55	<b>\$189.11</b>
Baltimore	\$72.31	\$14.69	\$26.00	\$15.55	<b>\$128.55</b>	\$90.39	\$18.36	\$32.00	\$20.55	<b>\$161.30</b>	\$108.47	\$22.03	\$40.00	\$25.55	<b>\$196.05</b>
Boston	\$84.62	\$17.19	\$26.00	\$15.55	<b>\$143.36</b>	\$105.78	\$21.48	\$32.00	\$20.55	<b>\$179.81</b>	\$126.93	\$25.78	\$40.00	\$25.55	<b>\$218.26</b>
Calgary	\$64.00	\$10.82	\$18.33	\$10.96	<b>\$104.11</b>	\$80.00	\$13.52	\$22.56	\$14.49	<b>\$130.57</b>	\$96.00	\$16.22	\$28.20	\$18.01	<b>\$158.44</b>
Charlotte	\$65.39	\$13.28	\$26.00	\$15.50	<b>\$120.17</b>	\$81.74	\$16.60	\$32.00	\$20.50	<b>\$150.84</b>	\$98.08	\$19.92	\$40.00	\$25.50	<b>\$183.50</b>
Chicago	\$93.08	\$18.91	\$26.00	\$15.85	<b>\$153.84</b>	\$116.35	\$23.63	\$32.00	\$20.85	<b>\$192.83</b>	\$139.62	\$28.36	\$40.00	\$25.85	<b>\$233.83</b>
Cincinnati	\$56.54	\$11.48	\$26.00	\$15.50	<b>\$109.53</b>	\$80.77	\$16.41	\$32.00	\$20.50	<b>\$149.68</b>	\$88.85	\$18.05	\$40.00	\$25.50	<b>\$172.40</b>
Cleveland	\$60.58	\$12.30	\$26.00	\$15.50	<b>\$114.38</b>	\$86.54	\$17.58	\$32.00	\$20.50	<b>\$156.62</b>	\$95.20	\$19.34	\$40.00	\$25.50	<b>\$180.03</b>
Columbus	\$57.21	\$11.62	\$26.00	\$15.50	<b>\$110.34</b>	\$81.74	\$16.60	\$32.00	\$20.50	<b>\$150.84</b>	\$89.91	\$18.26	\$40.00	\$25.50	<b>\$173.67</b>
Dallas	\$64.62	\$13.12	\$26.00	\$15.55	<b>\$119.29</b>	\$80.77	\$16.41	\$32.00	\$20.55	<b>\$149.73</b>	\$96.93	\$19.69	\$40.00	\$25.55	<b>\$182.17</b>
Denver	\$70.00	\$14.22	\$26.00	\$15.55	<b>\$125.77</b>	\$87.51	\$17.77	\$32.00	\$20.55	<b>\$157.83</b>	\$105.01	\$21.33	\$40.00	\$25.55	<b>\$191.88</b>
Des Moines	\$71.54	\$14.53	\$26.00	\$15.55	<b>\$127.62</b>	\$89.43	\$18.16	\$32.00	\$20.55	<b>\$160.14</b>	\$107.31	\$21.80	\$40.00	\$25.55	<b>\$194.66</b>
Detroit	\$77.70	\$15.78	\$26.00	\$15.50	<b>\$134.98</b>	\$97.12	\$19.73	\$32.00	\$20.50	<b>\$169.35</b>	\$116.55	\$23.67	\$40.00	\$25.50	<b>\$205.72</b>
Fort Worth	\$63.08	\$12.81	\$26.00	\$15.55	<b>\$117.44</b>	\$78.85	\$16.01	\$32.00	\$20.55	<b>\$147.42</b>	\$94.62	\$19.22	\$40.00	\$25.55	<b>\$179.39</b>
Hampton Roads	\$66.16	\$13.44	\$26.00	\$15.55	<b>\$121.14</b>	\$82.70	\$16.80	\$32.00	\$20.55	<b>\$152.04</b>	\$99.24	\$20.16	\$40.00	\$25.55	<b>\$184.94</b>
Houston	\$63.08	\$12.81	\$26.00	\$15.55	<b>\$117.44</b>	\$78.85	\$16.01	\$32.00	\$20.55	<b>\$147.42</b>	\$94.62	\$19.22	\$40.00	\$25.55	<b>\$179.39</b>
Indianapolis	\$70.77	\$14.37	\$26.00	\$15.50	<b>\$126.65</b>	\$88.47	\$17.97	\$32.00	\$20.50	<b>\$158.93</b>	\$106.16	\$21.56	\$40.00	\$25.50	<b>\$193.22</b>
Jacksonville	\$64.62	\$13.12	\$26.00	\$15.50	<b>\$119.24</b>	\$80.77	\$16.41	\$32.00	\$20.50	<b>\$149.68</b>	\$96.93	\$19.69	\$40.00	\$25.50	<b>\$182.12</b>
Los Angeles	\$86.93	\$17.66	\$26.00	\$15.75	<b>\$146.33</b>	\$108.66	\$22.07	\$32.00	\$20.75	<b>\$183.48</b>	\$130.39	\$26.48	\$40.00	\$25.75	<b>\$222.63</b>
Louisville	\$66.93	\$13.59	\$26.00	\$15.50	<b>\$122.02</b>	\$83.66	\$16.99	\$32.00	\$20.50	<b>\$153.15</b>	\$100.39	\$20.39	\$40.00	\$25.50	<b>\$186.28</b>
Miami	\$64.62	\$13.12	\$26.00	\$15.50	<b>\$119.24</b>	\$80.77	\$16.41	\$32.00	\$20.50	<b>\$149.68</b>	\$96.93	\$19.69	\$40.00	\$25.50	<b>\$182.12</b>
Milwaukee	\$78.47	\$15.94	\$26.00	\$15.50	<b>\$135.90</b>	\$98.08	\$19.92	\$32.00	\$20.50	<b>\$170.50</b>	\$117.70	\$23.91	\$40.00	\$25.50	<b>\$207.10</b>
Minneapolis	\$83.08	\$16.87	\$26.00	\$15.50	<b>\$141.46</b>	\$103.85	\$21.09	\$32.00	\$20.50	<b>\$177.45</b>	\$124.62	\$25.31	\$40.00	\$25.50	<b>\$215.43</b>
Montreal	\$56.00	\$9.46	\$18.33	\$10.96	<b>\$94.76</b>	\$70.00	\$11.83	\$22.56	\$14.49	<b>\$118.88</b>	\$84.00	\$14.20	\$28.20	\$18.01	<b>\$144.41</b>
Nashville	\$66.16	\$13.44	\$26.00	\$15.50	<b>\$121.09</b>	\$82.70	\$16.80	\$32.00	\$20.50	<b>\$151.99</b>	\$99.24	\$20.16	\$40.00	\$25.50	<b>\$184.89</b>
Newark	\$89.24	\$18.12	\$26.00	\$15.75	<b>\$149.11</b>	\$111.55	\$22.66	\$32.00	\$20.75	<b>\$186.95</b>	\$133.85	\$27.19	\$40.00	\$25.75	<b>\$226.79</b>
New York City	\$106.16	\$21.56	\$26.00	\$15.95	<b>\$169.67</b>	\$132.70	\$26.95	\$32.00	\$20.95	<b>\$212.60</b>	\$172.51	\$35.04	\$40.00	\$25.95	<b>\$273.50</b>
Northern Virginia	\$71.54	\$14.53	\$26.00	\$15.55	<b>\$127.62</b>	\$89.43	\$18.16	\$32.00	\$20.55	<b>\$160.14</b>	\$107.31	\$21.80	\$40.00	\$25.55	<b>\$194.66</b>
Oakland/East Bay	\$99.21	\$20.15	\$26.00	\$15.75	<b>\$161.11</b>	\$124.01	\$25.19	\$32.00	\$20.75	<b>\$201.94</b>	\$148.81	\$30.22	\$40.00	\$25.75	<b>\$244.78</b>
Orange County	\$82.31	\$16.72	\$26.00	\$15.75	<b>\$140.78</b>	\$102.89	\$20.90	\$32.00	\$20.75	<b>\$176.54</b>	\$123.47	\$25.08	\$40.00	\$25.75	<b>\$214.30</b>
Orlando	\$65.39	\$13.28	\$26.00	\$15.50	<b>\$120.17</b>	\$81.74	\$16.60	\$32.00	\$20.50	<b>\$150.84</b>	\$98.08	\$19.92	\$40.00	\$25.50	<b>\$183.50</b>
Philadelphia	\$83.85	\$17.03	\$26.00	\$15.55	<b>\$142.43</b>	\$104.81	\$21.29	\$32.00	\$20.55	<b>\$178.65</b>	\$125.78	\$25.55	\$40.00	\$25.55	<b>\$216.87</b>
Phoenix	\$67.70	\$13.75	\$26.00	\$15.55	<b>\$123.00</b>	\$84.62	\$17.19	\$32.00	\$20.55	<b>\$154.36</b>	\$101.54	\$20.62	\$40.00	\$25.55	<b>\$187.72</b>
Pittsburgh	\$77.70	\$15.78	\$26.00	\$15.55	<b>\$135.03</b>	\$97.12	\$19.73	\$32.00	\$20.55	<b>\$169.40</b>	\$116.55	\$23.67	\$40.00	\$25.55	<b>\$205.77</b>
Portland	\$80.00	\$16.25	\$26.00	\$15.50	<b>\$137.75</b>	\$100.01	\$20.31	\$32.00	\$20.50	<b>\$172.82</b>	\$120.01	\$24.37	\$40.00	\$25.50	<b>\$209.88</b>
Raleigh-Durham	\$64.62	\$13.12	\$26.00	\$15.50	<b>\$119.24</b>	\$80.77	\$16.41	\$32.00	\$20.50	<b>\$149.68</b>	\$96.93	\$19.69	\$40.00	\$25.50	<b>\$182.12</b>
Richmond	\$68.47	\$13.91	\$26.00	\$15.55	<b>\$123.92</b>	\$85.58	\$17.38	\$32.00	\$20.55	<b>\$155.51</b>	\$102.70	\$20.86	\$40.00	\$25.55	<b>\$189.11</b>
Sacramento	\$91.21	\$18.52	\$26.00	\$15.75	<b>\$151.48</b>	\$114.01	\$23.16	\$32.00	\$20.75	<b>\$189.91</b>	\$136.81	\$27.79	\$40.00	\$25.75	<b>\$230.34</b>
Salt Lake City	\$69.23	\$14.06	\$26.00	\$16.55	<b>\$125.85</b>	\$86.54	\$17.58	\$32.00	\$21.55	<b>\$157.67</b>	\$103.85	\$21.09	\$40.00	\$26.55	<b>\$191.50</b>
San Antonio	\$64.62	\$13.12	\$26.00	\$15.55	<b>\$119.29</b>	\$80.77	\$16.41	\$32.00	\$20.55	<b>\$149.73</b>	\$96.93	\$19.69	\$40.00	\$25.55	<b>\$182.17</b>
San Diego	\$83.85	\$17.03	\$26.00	\$15.75	<b>\$142.63</b>	\$104.81	\$21.29	\$32.00	\$20.75	<b>\$178.85</b>	\$125.78	\$25.55	\$40.00	\$25.75	<b>\$217.07</b>
San Francisco	\$103.08	\$20.94	\$26.00	\$15.75	<b>\$165.77</b>	\$128.85	\$26.17	\$32.00	\$20.75	<b>\$207.77</b>	\$154.62	\$31.41	\$40.00	\$25.75	<b>\$251.78</b>
Seattle	\$84.81	\$17.22	\$26.00	\$15.55	<b>\$143.58</b>	\$106.01	\$21.53	\$32.00	\$20.55	<b>\$180.09</b>	\$127.21	\$25.84	\$40.00	\$25.55	<b>\$218.59</b>
San Jose	\$99.21	\$20.15	\$26.00	\$15.75	<b>\$161.11</b>	\$124.01	\$25.19	\$32.00	\$20.75	<b>\$201.94</b>	\$148.81	\$30.22	\$40.00	\$25.75	<b>\$244.78</b>
St. Louis	\$78.47	\$15.94	\$26.00	\$15.50	<b>\$135.90</b>	\$98.08	\$19.92	\$32.00	\$20.50	<b>\$170.50</b>	\$117.70	\$23.91	\$40.00	\$25.50	<b>\$207.10</b>
Suburban MD	\$72.31	\$14.69	\$26.00	\$15.55	<b>\$128.55</b>	\$90.39	\$18.36	\$32.00	\$20.55	<b>\$161.30</b>	\$108.47	\$22.03	\$40.00	\$25.55	<b>\$196.05</b>
Tampa	\$65.39	\$13.28	\$26.00	\$15.50	<b>\$120.17</b>	\$81.74	\$16.60	\$32.00	\$20.50	<b>\$150.84</b>	\$98.08	\$19.92	\$40.00	\$25.50	<b>\$183.50</b>
Toronto	\$80.00	\$13.52	\$18.33	\$10.96	<b>\$122.81</b>	\$100.00	\$16.90	\$22.56	\$14.49	<b>\$153.95</b>	\$120.00	\$20.28	\$28.20	\$18.01	<b>\$186.49</b>
Vancouver	\$60.00	\$10.14	\$18.33	\$10.96	<b>\$99.43</b>	\$75.00	\$12.68	\$22.56	\$14.49	<b>\$124.72</b>	\$90.00	\$15.21	\$28.20	\$18.01	<b>\$151.42</b>
Washington, DC	\$73.08	\$14.84	\$26.00	\$15.55	<b>\$129.47</b>	\$91.35	\$18.55	\$32.00	\$20.55	<b>\$162.46</b>	\$109.62	\$22.26	\$40.00	\$25.55	<b>\$197.44</b>

Market	Base Space Quality & Complexity					Medium Space Quality & Complexity					High Space Quality & Complexity				
	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total
Atlanta	\$75.34	\$15.30	\$26.00	\$15.50	<b>\$132.14</b>	\$94.18	\$19.13	\$32.00	\$20.50	<b>\$165.81</b>	\$113.01	\$22.95	\$40.00	\$25.50	<b>\$201.47</b>
Austin	\$75.34	\$15.30	\$26.00	\$15.55	<b>\$132.19</b>	\$94.18	\$19.13	\$32.00	\$20.55	<b>\$165.86</b>	\$113.01	\$22.95	\$40.00	\$25.55	<b>\$201.52</b>
Baltimore	\$79.58	\$16.16	\$26.00	\$15.55	<b>\$137.29</b>	\$99.47	\$20.20	\$32.00	\$20.55	<b>\$172.22</b>	\$119.36	\$24.24	\$40.00	\$25.55	<b>\$209.16</b>
Boston	\$93.12	\$18.91	\$26.00	\$15.55	<b>\$153.58</b>	\$116.40	\$23.64	\$32.00	\$20.55	<b>\$192.59</b>	\$139.68	\$28.37	\$40.00	\$25.55	<b>\$233.60</b>
Calgary	\$80.00	\$13.52	\$18.33	\$10.96	<b>\$122.81</b>	\$100.00	\$16.90	\$22.56	\$14.49	<b>\$153.95</b>	\$120.00	\$20.28	\$28.20	\$18.01	<b>\$186.49</b>
Charlotte	\$71.96	\$14.61	\$26.00	\$15.50	<b>\$128.07</b>	\$89.95	\$18.27	\$32.00	\$20.50	<b>\$160.71</b>	\$107.93	\$21.92	\$40.00	\$25.50	<b>\$195.36</b>
Chicago	\$102.43	\$20.80	\$26.00	\$15.85	<b>\$165.09</b>	\$128.04	\$26.01	\$32.00	\$20.85	<b>\$206.90</b>	\$153.65	\$31.21	\$40.00	\$25.85	<b>\$250.70</b>
Cincinnati	\$62.22	\$12.64	\$26.00	\$15.50	<b>\$116.36</b>	\$88.89	\$18.05	\$32.00	\$20.50	<b>\$159.44</b>	\$97.78	\$19.86	\$40.00	\$25.50	<b>\$183.13</b>
Cleveland	\$66.67	\$13.54	\$26.00	\$15.50	<b>\$121.71</b>	\$95.24	\$19.34	\$32.00	\$20.50	<b>\$167.08</b>	\$104.76	\$21.28	\$40.00	\$25.50	<b>\$191.54</b>
Columbus	\$62.96	\$12.79	\$26.00	\$15.50	<b>\$117.25</b>	\$89.95	\$18.27	\$32.00	\$20.50	<b>\$160.71</b>	\$98.94	\$20.10	\$40.00	\$25.50	<b>\$184.53</b>
Dallas	\$71.11	\$14.44	\$26.00	\$15.55	<b>\$127.10</b>	\$88.89	\$18.05	\$32.00	\$20.55	<b>\$159.49</b>	\$106.66	\$21.66	\$40.00	\$25.55	<b>\$193.88</b>
Denver	\$77.04	\$15.65	\$26.00	\$15.55	<b>\$134.23</b>	\$96.29	\$19.56	\$32.00	\$20.55	<b>\$168.40</b>	\$115.55	\$23.47	\$40.00	\$25.55	<b>\$204.57</b>
Des Moines	\$78.73	\$15.99	\$26.00	\$15.55	<b>\$136.27</b>	\$98.41	\$19.99	\$32.00	\$20.55	<b>\$170.95</b>	\$118.09	\$23.99	\$40.00	\$25.55	<b>\$207.63</b>
Detroit	\$85.50	\$17.37	\$26.00	\$15.50	<b>\$144.37</b>	\$106.88	\$21.71	\$32.00	\$20.50	<b>\$181.08</b>	\$128.25	\$26.05	\$40.00	\$25.50	<b>\$219.80</b>
Fort Worth	\$69.42	\$14.10	\$26.00	\$15.55	<b>\$125.07</b>	\$86.77	\$17.62	\$32.00	\$20.55	<b>\$156.94</b>	\$104.12	\$21.15	\$40.00	\$25.55	<b>\$190.82</b>
Hampton Roads	\$72.80	\$14.79	\$26.00	\$15.55	<b>\$129.14</b>	\$91.00	\$18.48	\$32.00	\$20.55	<b>\$162.04</b>	\$109.20	\$22.18	\$40.00	\$25.55	<b>\$196.93</b>
Houston	\$69.42	\$14.10	\$26.00	\$15.55	<b>\$125.07</b>	\$86.77	\$17.62	\$32.00	\$20.55	<b>\$156.94</b>	\$104.12	\$21.15	\$40.00	\$25.55	<b>\$190.82</b>
Indianapolis	\$77.88	\$15.82	\$26.00	\$15.50	<b>\$135.20</b>	\$97.35	\$19.77	\$32.00	\$20.50	<b>\$169.63</b>	\$116.82	\$23.73	\$40.00	\$25.50	<b>\$206.05</b>
Jacksonville	\$71.11	\$14.44	\$26.00	\$15.50	<b>\$127.05</b>	\$88.89	\$18.05	\$32.00	\$20.50	<b>\$159.44</b>	\$106.66	\$21.66	\$40.00	\$25.50	<b>\$193.83</b>
Los Angeles	\$95.66	\$19.43	\$26.00	\$15.75	<b>\$156.84</b>	\$119.57	\$24.29	\$32.00	\$20.75	<b>\$196.61</b>	\$143.49	\$29.14	\$40.00	\$25.75	<b>\$238.38</b>
Louisville	\$73.65	\$14.96	\$26.00	\$15.50	<b>\$130.11</b>	\$92.06	\$18.70	\$32.00	\$20.50	<b>\$163.26</b>	\$110.47	\$22.44	\$40.00	\$25.50	<b>\$198.41</b>
Miami	\$71.11	\$14.44	\$26.00	\$15.50	<b>\$127.05</b>	\$88.89	\$18.05	\$32.00	\$20.50	<b>\$159.44</b>	\$106.66	\$21.66	\$40.00	\$25.50	<b>\$193.83</b>
Milwaukee	\$86.35	\$17.54	\$26.00	\$15.50	<b>\$145.38</b>	\$107.93	\$21.92	\$32.00	\$20.50	<b>\$182.36</b>	\$129.52	\$26.31	\$40.00	\$25.50	<b>\$221.33</b>
Minneapolis	\$91.43	\$18.57	\$26.00	\$15.50	<b>\$151.50</b>	\$114.28	\$23.21	\$32.00	\$20.50	<b>\$189.99</b>	\$137.14	\$27.85	\$40.00	\$25.50	<b>\$230.49</b>
Montreal	\$64.00	\$10.82	\$18.33	\$10.96	<b>\$104.11</b>	\$80.00	\$13.52	\$22.56	\$14.49	<b>\$130.57</b>	\$96.00	\$16.22	\$28.20	\$18.01	<b>\$158.44</b>
Nashville	\$72.80	\$14.79	\$26.00	\$15.50	<b>\$129.09</b>	\$91.00	\$18.48	\$32.00	\$20.50	<b>\$161.99</b>	\$109.20	\$22.18	\$40.00	\$25.50	<b>\$196.88</b>
Newark	\$98.20	\$19.94	\$26.00	\$15.75	<b>\$159.89</b>	\$122.75	\$24.93	\$32.00	\$20.75	<b>\$200.43</b>	\$147.30	\$29.92	\$40.00	\$25.75	<b>\$242.97</b>
New York City	\$116.82	\$23.73	\$26.00	\$15.95	<b>\$182.50</b>	\$146.03	\$29.66	\$32.00	\$20.95	<b>\$228.64</b>	\$189.84	\$38.56	\$40.00	\$25.95	<b>\$294.34</b>
Northern Virginia	\$78.73	\$15.99	\$26.00	\$15.55	<b>\$136.27</b>	\$98.41	\$19.99	\$32.00	\$20.55	<b>\$170.95</b>	\$118.09	\$23.99	\$40.00	\$25.55	<b>\$207.63</b>
Oakland/East Bay	\$109.17	\$22.17	\$26.00	\$15.75	<b>\$173.09</b>	\$136.46	\$27.72	\$32.00	\$20.75	<b>\$216.93</b>	\$163.76	\$33.26	\$40.00	\$25.75	<b>\$262.76</b>
Orange County	\$90.58	\$18.40	\$26.00	\$15.75	<b>\$150.73</b>	\$113.23	\$23.00	\$32.00	\$20.75	<b>\$188.97</b>	\$135.87	\$27.60	\$40.00	\$25.75	<b>\$229.22</b>
Orlando	\$71.96	\$14.61	\$26.00	\$15.50	<b>\$128.07</b>	\$89.95	\$18.27	\$32.00	\$20.50	<b>\$160.71</b>	\$107.93	\$21.92	\$40.00	\$25.50	<b>\$195.36</b>
Philadelphia	\$92.27	\$18.74	\$26.00	\$15.55	<b>\$152.56</b>	\$115.34	\$23.43	\$32.00	\$20.55	<b>\$191.32</b>	\$138.41	\$28.11	\$40.00	\$25.55	<b>\$232.07</b>
Phoenix	\$74.50	\$15.13	\$26.00	\$15.55	<b>\$131.18</b>	\$93.12	\$18.91	\$32.00	\$20.55	<b>\$164.58</b>	\$111.74	\$22.70	\$40.00	\$25.55	<b>\$199.99</b>
Pittsburgh	\$85.50	\$17.37	\$26.00	\$15.55	<b>\$144.42</b>	\$106.88	\$21.71	\$32.00	\$20.55	<b>\$181.13</b>	\$128.25	\$26.05	\$40.00	\$25.55	<b>\$219.85</b>
Portland	\$88.04	\$17.88	\$26.00	\$15.50	<b>\$147.42</b>	\$110.05	\$22.35	\$32.00	\$20.50	<b>\$184.90</b>	\$132.06	\$26.82	\$40.00	\$25.50	<b>\$224.38</b>
Raleigh-Durham	\$71.11	\$14.44	\$26.00	\$15.50	<b>\$127.05</b>	\$88.89	\$18.05	\$32.00	\$20.50	<b>\$159.44</b>	\$106.66	\$21.66	\$40.00	\$25.50	<b>\$193.83</b>
Richmond	\$75.34	\$15.30	\$26.00	\$15.55	<b>\$132.19</b>	\$94.18	\$19.13	\$32.00	\$20.55	<b>\$165.86</b>	\$113.01	\$22.95	\$40.00	\$25.55	<b>\$201.52</b>
Sacramento	\$100.37	\$20.38	\$26.00	\$15.75	<b>\$162.50</b>	\$125.46	\$25.48	\$32.00	\$20.75	<b>\$203.69</b>	\$150.55	\$30.58	\$40.00	\$25.75	<b>\$246.88</b>
Salt Lake City	\$76.19	\$15.47	\$26.00	\$16.55	<b>\$134.21</b>	\$95.24	\$19.34	\$32.00	\$21.55	<b>\$168.13</b>	\$114.28	\$23.21	\$40.00	\$26.55	<b>\$204.04</b>
San Antonio	\$71.11	\$14.44	\$26.00	\$15.55	<b>\$127.10</b>	\$88.89	\$18.05	\$32.00	\$20.55	<b>\$159.49</b>	\$106.66	\$21.66	\$40.00	\$25.55	<b>\$193.88</b>
San Diego	\$92.27	\$18.74	\$26.00	\$15.75	<b>\$152.76</b>	\$115.34	\$23.43	\$32.00	\$20.75	<b>\$191.52</b>	\$138.41	\$28.11	\$40.00	\$25.75	<b>\$232.27</b>
San Francisco	\$113.44	\$23.04	\$26.00	\$15.75	<b>\$178.23</b>	\$141.80	\$28.80	\$32.00	\$20.75	<b>\$223.35</b>	\$170.16	\$34.56	\$40.00	\$25.75	<b>\$270.46</b>
Seattle	\$93.32	\$18.95	\$26.00	\$15.55	<b>\$153.83</b>	\$116.65	\$23.69	\$32.00	\$20.55	<b>\$192.90</b>	\$139.98	\$28.43	\$40.00	\$25.55	<b>\$233.97</b>
San Jose	\$109.17	\$22.17	\$26.00	\$15.75	<b>\$173.09</b>	\$136.46	\$27.72	\$32.00	\$20.75	<b>\$216.93</b>	\$163.76	\$33.26	\$40.00	\$25.75	<b>\$262.76</b>
St. Louis	\$86.35	\$17.54	\$26.00	\$15.50	<b>\$145.38</b>	\$107.93	\$21.92	\$32.00	\$20.50	<b>\$182.36</b>	\$129.52	\$26.31	\$40.00	\$25.50	<b>\$221.33</b>
Suburban MD	\$79.58	\$16.16	\$26.00	\$15.55	<b>\$137.29</b>	\$99.47	\$20.20	\$32.00	\$20.55	<b>\$172.22</b>	\$119.36	\$24.24	\$40.00	\$25.55	<b>\$209.16</b>
Tampa	\$71.96	\$14.61	\$26.00	\$15.50	<b>\$128.07</b>	\$89.95	\$18.27	\$32.00	\$20.50	<b>\$160.71</b>	\$107.93	\$21.92	\$40.00	\$25.50	<b>\$195.36</b>
Toronto	\$84.00	\$14.20	\$18.33	\$10.96	<b>\$127.49</b>	\$105.00	\$17.75	\$22.56	\$14.49	<b>\$159.79</b>	\$126.00	\$21.29	\$28.20	\$18.01	<b>\$193.51</b>
Vancouver	\$76.00	\$16.06	\$18.33	\$10.96	<b>\$121.35</b>	\$95.00	\$16.06	\$22.56	\$14.49	<b>\$148.10</b>	\$114.00	\$19.27	\$28.20	\$18.01	<b>\$179.48</b>
Washington, DC	\$80.42	\$16.33	\$26.00	\$15.55	<b>\$138.31</b>	\$100.53	\$20.42	\$32.00	\$20.55	<b>\$173.49</b>	\$120.63	\$24.50	\$40.00	\$25.55	<b>\$210.68</b>

Market	Base Space Quality & Complexity					Medium Space Quality & Complexity					High Space Quality & Complexity				
	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total	Hard Costs	Design + Fees	FF&E	Tenant Factors	Total
Atlanta	\$83.67	\$16.99	\$26.00	\$15.50	<b>\$142.17</b>	\$104.59	\$21.24	\$32.00	\$20.50	<b>\$178.34</b>	\$125.51	\$25.49	\$40.00	\$25.50	<b>\$216.50</b>
Austin	\$83.67	\$16.99	\$26.00	\$15.55	<b>\$142.22</b>	\$104.59	\$21.24	\$32.00	\$20.55	<b>\$178.39</b>	\$125.51	\$25.49	\$40.00	\$25.55	<b>\$216.55</b>
Baltimore	\$88.38	\$17.95	\$26.00	\$15.55	<b>\$147.88</b>	\$110.47	\$22.44	\$32.00	\$20.55	<b>\$185.46</b>	\$132.56	\$26.92	\$40.00	\$25.55	<b>\$225.04</b>
Boston	\$103.42	\$21.00	\$26.00	\$15.55	<b>\$165.97</b>	\$129.27	\$26.26	\$32.00	\$20.55	<b>\$208.08</b>	\$155.13	\$31.51	\$40.00	\$25.55	<b>\$252.18</b>
Calgary	\$96.00	\$16.22	\$18.33	\$10.96	<b>\$141.52</b>	\$120.00	\$20.28	\$22.56	\$14.49	<b>\$177.33</b>	\$144.00	\$24.34	\$28.20	\$18.01	<b>\$214.55</b>
Charlotte	\$79.91	\$16.23	\$26.00	\$15.50	<b>\$137.65</b>	\$99.89	\$20.29	\$32.00	\$20.50	<b>\$172.68</b>	\$119.87	\$24.35	\$40.00	\$25.50	<b>\$209.72</b>
Chicago	\$113.76	\$23.11	\$26.00	\$15.85	<b>\$178.72</b>	\$142.20	\$28.88	\$32.00	\$20.85	<b>\$223.93</b>	\$170.64	\$34.66	\$40.00	\$25.85	<b>\$271.15</b>
Cincinnati	\$69.10	\$14.04	\$26.00	\$15.50	<b>\$124.64</b>	\$98.72	\$20.05	\$32.00	\$20.50	<b>\$171.27</b>	\$108.59	\$22.06	\$40.00	\$25.50	<b>\$196.14</b>
Cleveland	\$74.04	\$15.04	\$26.00	\$15.50	<b>\$130.58</b>	\$105.77	\$21.48	\$32.00	\$20.50	<b>\$179.75</b>	\$116.35	\$23.63	\$40.00	\$25.50	<b>\$205.48</b>
Columbus	\$69.92	\$14.20	\$26.00	\$15.50	<b>\$125.63</b>	\$99.89	\$20.29	\$32.00	\$20.50	<b>\$172.68</b>	\$109.88	\$22.32	\$40.00	\$25.50	<b>\$197.70</b>
Dallas	\$78.97	\$16.04	\$26.00	\$15.55	<b>\$136.56</b>	\$98.72	\$20.05	\$32.00	\$20.55	<b>\$171.32</b>	\$118.46	\$24.06	\$40.00	\$25.55	<b>\$208.07</b>
Denver	\$85.56	\$17.38	\$26.00	\$15.55	<b>\$144.48</b>	\$106.94	\$21.72	\$32.00	\$20.55	<b>\$181.21</b>	\$128.33	\$26.07	\$40.00	\$25.55	<b>\$219.95</b>
Des Moines	\$87.44	\$17.76	\$26.00	\$15.55	<b>\$146.74</b>	\$109.29	\$22.20	\$32.00	\$20.55	<b>\$184.04</b>	\$131.15	\$26.64	\$40.00	\$25.55	<b>\$223.34</b>
Detroit	\$94.96	\$19.29	\$26.00	\$15.50	<b>\$155.74</b>	\$118.70	\$24.11	\$32.00	\$20.50	<b>\$195.30</b>	\$142.44	\$28.93	\$40.00	\$25.50	<b>\$236.86</b>
Fort Worth	\$77.09	\$15.66	\$26.00	\$15.55	<b>\$134.30</b>	\$96.37	\$19.57	\$32.00	\$20.55	<b>\$168.49</b>	\$115.64	\$23.49	\$40.00	\$25.55	<b>\$204.68</b>
Hampton Roads	\$80.85	\$16.42	\$26.00	\$15.55	<b>\$138.83</b>	\$101.07	\$20.53	\$32.00	\$20.55	<b>\$174.15</b>	\$121.28	\$24.63	\$40.00	\$25.55	<b>\$211.46</b>
Houston	\$77.09	\$15.66	\$26.00	\$15.55	<b>\$134.30</b>	\$96.37	\$19.57	\$32.00	\$20.55	<b>\$168.49</b>	\$115.64	\$23.49	\$40.00	\$25.55	<b>\$204.68</b>
Indianapolis	\$86.50	\$17.57	\$26.00	\$15.50	<b>\$145.56</b>	\$108.12	\$21.96	\$32.00	\$20.50	<b>\$182.58</b>	\$129.74	\$26.35	\$40.00	\$25.50	<b>\$221.59</b>
Jacksonville	\$78.97	\$16.04	\$26.00	\$15.50	<b>\$136.51</b>	\$98.72	\$20.05	\$32.00	\$20.50	<b>\$171.27</b>	\$118.46	\$24.06	\$40.00	\$25.50	<b>\$208.02</b>
Los Angeles	\$106.24	\$21.58	\$26.00	\$15.75	<b>\$169.57</b>	\$132.80	\$26.97	\$32.00	\$20.75	<b>\$212.52</b>	\$159.36	\$32.37	\$40.00	\$25.75	<b>\$257.47</b>
Louisville	\$81.79	\$16.61	\$26.00	\$15.50	<b>\$139.91</b>	\$102.24	\$20.77	\$32.00	\$20.50	<b>\$175.51</b>	\$122.69	\$24.92	\$40.00	\$25.50	<b>\$213.11</b>
Miami	\$78.97	\$16.04	\$26.00	\$15.50	<b>\$136.51</b>	\$98.72	\$20.05	\$32.00	\$20.50	<b>\$171.27</b>	\$118.46	\$24.06	\$40.00	\$25.50	<b>\$208.02</b>
Milwaukee	\$95.90	\$19.48	\$26.00	\$15.50	<b>\$156.87</b>	\$119.87	\$24.35	\$32.00	\$20.50	<b>\$196.72</b>	\$143.85	\$29.22	\$40.00	\$25.50	<b>\$238.56</b>
Minneapolis	\$101.54	\$20.62	\$26.00	\$15.50	<b>\$163.66</b>	\$126.92	\$25.78	\$32.00	\$20.50	<b>\$205.20</b>	\$152.31	\$30.93	\$40.00	\$25.50	<b>\$248.74</b>
Montreal	\$76.00	\$12.84	\$18.33	\$10.96	<b>\$118.14</b>	\$95.00	\$16.06	\$22.56	\$14.49	<b>\$148.10</b>	\$114.00	\$19.27	\$28.20	\$18.01	<b>\$179.48</b>
Nashville	\$80.85	\$16.42	\$26.00	\$15.50	<b>\$138.78</b>	\$101.07	\$20.53	\$32.00	\$20.50	<b>\$174.10</b>	\$121.28	\$24.63	\$40.00	\$25.50	<b>\$211.41</b>
Newark	\$109.06	\$22.15	\$26.00	\$15.75	<b>\$172.96</b>	\$136.32	\$27.69	\$32.00	\$20.75	<b>\$216.76</b>	\$163.59	\$33.23	\$40.00	\$25.75	<b>\$262.56</b>
New York City	\$129.74	\$26.35	\$26.00	\$15.95	<b>\$198.04</b>	\$162.18	\$32.94	\$32.00	\$20.95	<b>\$248.07</b>	\$210.83	\$42.82	\$40.00	\$25.95	<b>\$319.60</b>
Northern Virginia	\$87.44	\$17.76	\$26.00	\$15.55	<b>\$146.74</b>	\$109.29	\$22.20	\$32.00	\$20.55	<b>\$184.04</b>	\$131.15	\$26.64	\$40.00	\$25.55	<b>\$223.34</b>
Oakland/East Bay	\$121.24	\$24.63	\$26.00	\$15.75	<b>\$187.62</b>	\$151.55	\$30.78	\$32.00	\$20.75	<b>\$235.09</b>	\$181.87	\$36.94	\$40.00	\$25.75	<b>\$284.55</b>
Orange County	\$100.60	\$20.43	\$26.00	\$15.75	<b>\$162.78</b>	\$125.75	\$25.54	\$32.00	\$20.75	<b>\$204.04</b>	\$150.90	\$30.65	\$40.00	\$25.75	<b>\$247.29</b>
Orlando	\$79.91	\$16.23	\$26.00	\$15.50	<b>\$137.65</b>	\$99.89	\$20.29	\$32.00	\$20.50	<b>\$172.68</b>	\$119.87	\$24.35	\$40.00	\$25.50	<b>\$209.72</b>
Philadelphia	\$102.48	\$20.81	\$26.00	\$15.55	<b>\$164.84</b>	\$128.10	\$26.02	\$32.00	\$20.55	<b>\$206.67</b>	\$153.72	\$31.22	\$40.00	\$25.55	<b>\$250.49</b>
Phoenix	\$82.73	\$16.80	\$26.00	\$15.55	<b>\$141.09</b>	\$103.42	\$21.00	\$32.00	\$20.55	<b>\$176.97</b>	\$124.10	\$25.21	\$40.00	\$25.55	<b>\$214.86</b>
Pittsburgh	\$94.96	\$19.29	\$26.00	\$15.55	<b>\$155.79</b>	\$118.70	\$24.11	\$32.00	\$20.55	<b>\$195.35</b>	\$142.44	\$28.93	\$40.00	\$25.55	<b>\$236.91</b>
Portland	\$97.78	\$19.86	\$26.00	\$15.50	<b>\$159.14</b>	\$122.22	\$24.82	\$32.00	\$20.50	<b>\$199.55</b>	\$146.67	\$29.79	\$40.00	\$25.50	<b>\$241.95</b>
Raleigh-Durham	\$78.97	\$16.04	\$26.00	\$15.50	<b>\$136.51</b>	\$98.72	\$20.05	\$32.00	\$20.50	<b>\$171.27</b>	\$118.46	\$24.06	\$40.00	\$25.50	<b>\$208.02</b>
Richmond	\$83.67	\$16.99	\$26.00	\$15.55	<b>\$142.22</b>	\$104.59	\$21.24	\$32.00	\$20.55	<b>\$178.39</b>	\$125.51	\$25.49	\$40.00	\$25.55	<b>\$216.55</b>
Sacramento	\$111.47	\$22.64	\$26.00	\$15.75	<b>\$175.86</b>	\$139.33	\$28.30	\$32.00	\$20.75	<b>\$220.38</b>	\$167.20	\$33.96	\$40.00	\$25.75	<b>\$266.91</b>
Salt Lake City	\$84.62	\$17.19	\$26.00	\$16.55	<b>\$144.35</b>	\$105.77	\$21.48	\$32.00	\$21.55	<b>\$180.80</b>	\$126.92	\$25.78	\$40.00	\$26.55	<b>\$219.25</b>
San Antonio	\$78.97	\$16.04	\$26.00	\$15.55	<b>\$136.56</b>	\$98.72	\$20.05	\$32.00	\$20.55	<b>\$171.32</b>	\$118.46	\$24.06	\$40.00	\$25.55	<b>\$208.07</b>
San Diego	\$102.48	\$20.81	\$26.00	\$15.75	<b>\$165.04</b>	\$128.10	\$26.02	\$32.00	\$20.75	<b>\$206.87</b>	\$153.72	\$31.22	\$40.00	\$25.75	<b>\$250.69</b>
San Francisco	\$125.98	\$25.59	\$26.00	\$15.75	<b>\$193.32</b>	\$157.48	\$31.98	\$32.00	\$20.75	<b>\$242.21</b>	\$188.97	\$38.38	\$40.00	\$25.75	<b>\$293.11</b>
Seattle	\$103.64	\$21.05	\$26.00	\$15.55	<b>\$166.24</b>	\$129.56	\$26.31	\$32.00	\$20.55	<b>\$208.42</b>	\$155.47	\$31.58	\$40.00	\$25.55	<b>\$252.59</b>
San Jose	\$121.24	\$24.63	\$26.00	\$15.75	<b>\$187.62</b>	\$151.55	\$30.78	\$32.00	\$20.75	<b>\$235.09</b>	\$181.87	\$36.94	\$40.00	\$25.75	<b>\$284.55</b>
St. Louis	\$95.90	\$19.48	\$26.00	\$15.50	<b>\$156.87</b>	\$119.87	\$24.35	\$32.00	\$20.50	<b>\$196.72</b>	\$143.85	\$29.22	\$40.00	\$25.50	<b>\$238.56</b>
Suburban MD	\$88.38	\$17.95	\$26.00	\$15.55	<b>\$147.88</b>	\$110.47	\$22.44	\$32.00	\$20.55	<b>\$185.46</b>	\$132.56	\$26.92	\$40.00	\$25.55	<b>\$225.04</b>
Tampa	\$79.91	\$16.23	\$26.00	\$15.50	<b>\$137.65</b>	\$99.89	\$20.29	\$32.00	\$20.50	<b>\$172.68</b>	\$119.87	\$24.35	\$40.00	\$25.50	<b>\$209.72</b>
Toronto	\$104.00	\$17.58	\$18.33	\$10.96	<b>\$150.87</b>	\$130.00	\$21.97	\$22.56	\$14.49	<b>\$189.02</b>	\$156.00	\$26.36	\$28.20	\$18.01	<b>\$228.58</b>
Vancouver	\$88.00	\$14.87	\$18.33	\$10.96	<b>\$132.16</b>	\$110.00	\$18.59	\$22.56	\$14.49	<b>\$165.64</b>	\$132.00	\$22.31	\$28.20	\$18.01	<b>\$200.52</b>
Washington, DC	\$89.32	\$18.14	\$26.00	\$15.55	<b>\$149.01</b>	\$111.64	\$22.68	\$32.00	\$20.55	<b>\$186.87</b>	\$133.97	\$27.21	\$40.00	\$25.55	<b>\$226.73</b>



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# **EXHIBIT 27**

**RESTRICTED —**

**Subject to Protective Order in Docket  
No. 19-CRB-0009-AA (Initial AA)**

# **EXHIBIT 28**

**RESTRICTED —**

**Subject to Protective Order in Docket  
No. 19-CRB-0009-AA (Initial AA)**

# **EXHIBIT 29**

**RESTRICTED —**

**Subject to Protective Order in Docket  
No. 19-CRB-0009-AA (Initial AA)**



# **EXHIBIT 30**

**RESTRICTED —**

**Subject to Protective Order in Docket  
No. 19-CRB-0009-AA (Initial AA)**

## Proof of Delivery

I hereby certify that on Monday, September 16, 2019, I provided a true and correct copy of the MLC Opening Submission - Part III - PUBLIC to the following:

Digital Licensee Coordinator, Inc., represented by Allison Stillman, served via Electronic Service at [astillman@mayerbrown.com](mailto:astillman@mayerbrown.com)

circle god network inc d/b/a david powell, represented by david powell, served via Electronic Service at [davidpowell008@yahoo.com](mailto:davidpowell008@yahoo.com)

Signed: /s/ Alex R Goldberg